

MARCH 1, 1939



TWENTY CENTS

Sales Management

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THE MAGAZINE OF MODERN MARKETING



"Aere perennis" . . .

enduring as bronze . . . wrote a Roman poet a long time ago . . . Gold is precious, hoarded in safes. Silver tarnishes away from its case. But bronze is the tough metal of the masses . . . faithful in form, steadfast against time and weather; hardy in usage, withstanding the wear of hands, the brush of bodies . . . serving in monuments and mailboxes, as well as medals . . .

Bronze becomes a newspaper . . . and appropriately its public awards come in bronze . . . or in its current U. S. Mint equivalent . . .

To this newspaper every weekday in the year is awarded three bronze medals, three pennies at the newsstands . . . by more than 600,000 people. These awards come from psychology professors who like its comic strips, and small children who like its comic strips . . . from Flatbush housewives looking for a

new recipe for hash, and Park Avenue matrons looking for friends' names in the society columns . . . from women who want beauty and women who want bargains . . . from men who find the big news on the stock market pages or on the sports pages . . . from people who seek information and people who want entertainment . . . from all kinds of people with all kinds of incomes and all kinds of tastes . . . from people who have honored this newspaper with their custom and their confidence for forty-one years!

And to makers of worthy products with a worthwhile message in the pages of this newspaper, these 600,000 Journal-American families offer the highest substantial awards . . . huge markets and steady patronage, new volume on the sales record and greater cheer in the annual statement . . . Your entries should be presented promptly . . .

NEW YORK Journal-American represented nationally

by HEARST INTERNATIONAL ADVERTISING SERVICE, Rodney E. Boone, Gen. Mgr. . . . with offices in New York • Chicago • Detroit • Philadelphia • Pittsburgh • Boston • Rochester • Baltimore • Atlanta • San Francisco • Los Angeles • Seattle

Where is my WANDERING AD tonight?



FROM the rockbound coast of Maine to the sunny shores of California, there are a lot of markets—good ones and not-so-good ones.

Is your advertising spreading it thin over the whole works? Or is it concentrating on the volume sales centers that really mean business?

Let's look and see.

There are 24 of these "volume sales centers" that buy the lion's share of just about everything from alkalinizers to zwieback. They hold less than 38% of our people—but they ring up more than 45½¢ of every retail dollar.

How are you doing in these key markets?

Well, your ad in the No. 1 National Weekly, despite its millions of circulation, reaches just 12% of the

homes here. Your ad in the No. 1 Women's Magazine reaches just 11.1%. And in the No. 1 General Monthly, you get just 7%.

That's probably no news to you. For the general run of national magazines have never claimed big city penetration.

But did you know there's a national magazine now that starts where these other magazines leave off?

THIS WEEK, the "big city magazine", concentrates 5,300,000 copies in and around these 24 key markets. THIS WEEK covers these sales centers as thoroughly as the 4 leading weeklies, or the 4 leading women's magazines, combined!

☆

Where is your wandering ad tonight? Remember, wherever it is, it isn't doing a job on the big volume markets, if it isn't in—

THIS WEEK
the **BIG CITY** magazine



Badge Bonanza

Shepard Barclay, who started the branch of New York World's Fair, 1939, Inc., which now permits hundreds of advertisers to use the Trylon and Perisphere on hundreds of products in thousands of ways, has gone into business for himself.

Exhibitors and concessionaires, Mr. Barclay decided, will want to give souvenirs. He will counsel them to give the "right" souvenirs.

In view of the fact that in the 185 days of the Fair this year there will be more than 1,300 "days" observed at the fair by various groups, among the 60,000,000 people expected to attend, Mr. Barclay is going in heavily for "badge counsel" to keep every body identified.

Take, for example, one of the 185 days—May 24. It will be, at the fair, British Empire Day, Fashion Group Day, Hartford County Day, Society of Automotive Engineers Day, Institute of Leadership Day, American Legion Auxiliary Day, and Daughters of the British Empire Day.

May 24 also will be part of the observance there of National Foreign Trade Week, Aviation Week, National Cotton Week, National Federation of Music Clubs Week, and Bronx Week.

How to keep the Britishers and the Bronxers separate—that will be just *one* of Mr. Barclay's problems.

Rudge's Sons

The printing firm of William E. Rudge's Sons is taking the World's Fair seriously, judging by its having put out 250 copies of a book called, "Merchandising Your World's Fair Exhibit," at \$17.50 a copy. Prepared in collaboration with Fair officials, its theme is "How to Get the Most for My World's Fair Dollar." It contains a sample dealer invitation, letterhead, dividend enclosure, dinner menu (for guests at a preview of your exhibit), program for a dealer or sales meeting, catalog, good will brochure; and a number of leaflets for distribution to consumers: Map of the Fair, "Where to Dine in a Dozen Languages in New York City," "Gardens That Garland New York," a map of N. Y. golf courses, etc.

There's also a check list of suggestions for exhibitors—reminders of whom to invite, types of information about your exhibit that should be available to the public, souvenirs for visitors, display cards. Some of the material suggested for consumers would be highly prized if made according to Rudge samples, booklets on "How to Budget a Trip to the World's Fair" and "How to See the Fair in Comfort," for example.

There are suggestions for merchandising your exhibit to those who *cannot* attend the Fair, by sending them booklets, and by furnishing to magazines and trade papers news and bulletins about your Fair activities. And, leaving no stone unturned, Rudge even provided a Footnote for Non-Exhibitors, suggesting that they invite Fair visitors to call at their N. Y. offices or factories.

That Rudge should have produced so handsome and costly a

book to solicit World's Fair printing orders is no surprise to the firm's prospects and clients, who have become accustomed to this type of de luxe salesmanship. Moreover, Rudge clients have been won over to the use of similar print jobs for their own purposes. For the N. Y. office building 40 Wall Street, the firm created a 20-pound book measuring 20 x 26 inches, with a transparent plastic cover one-quarter inch thick. *Only 12 copies were printed*, but they apparently brought tenants scurrying in, since the builders later ordered a printing of six books describing other edifices they had put up, to be used by their salesmen.

Other similar orders were from a brokerage house, for 2,000 books at \$4.50 apiece; and from a manufacturer of heavy machinery, for an edition of 200, each illustrated with color plates and costing \$30 a copy.

The name of Rudge has been associated with fine printing since the time of the World War, though the business dates back to 1874. In 1887, at the age of eleven, William Edward Rudge went to work in his father's little print shop in downtown New York. The illness of the older man forced the boy to assume great responsibility, and by the time he was 15 it had become his Tuesday night duty to "put to bed" the weekly edition of the *Coal Trade Journal*. The firm prospered under young Rudge's management, moved a couple of times, and about the year 1905 added linotype service to its facilities. Billings increased to about \$200,000 annually. In 1919 the plant was moved to Mt. Vernon, a suburb of New York City, and it soon became nationally known as headquarters for fine printing craftsmanship.

Mr. Rudge died in 1931 and the company passed from the control of the family. Less than a year later his two sons started their own printing company in a loft in Brooklyn. With them were three associates, two of them alumni from the Mt. Vernon plant. In January, 1934 the firm, known as William E. Rudge's Sons, moved to more commodious quarters at 225 Varick Street, New York. During the first five months of 1936 their volume was 76% greater than in the same period of 1935. By August they had bought back the name of the original business, as well as many of its tangible assets—type, plates, records and fine books. Though possessing the trade-mark of the older house and the rights to its name, the present owners are using the name under which they staged their comeback, William E. Rudge's Sons, Inc.

Much of their current success is undoubtedly due to their unusual sales policies, and to the creative ideas of Frederick Rudge, son of the late William Edwin Rudge. He considers printing a merchandising tool, and he likes nothing better than to carry through a complete idea for a client.

The firm ordinarily does not enter into competitive bidding, and it has been known to refuse to bid unless paid \$50 for preliminary work, the amount to apply on the bill if the contract was awarded to it. On one occasion, when the Rudge bid was \$1,000 higher than that of the next lowest competitor, Frederick



In Frederick Rudge's hands . . . \$17.50 worth of promotion for a printer and a fair.

SALES MANAGEMENT, published semi-monthly, on the first and fifteenth, except in April and October, when it is published three times a month and dated the first, tenth and twentieth, copyright March 1, 1939, by Sales Management, Inc., 420 Lexington Avenue, New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office, N. Y., under the act of March 3, 1879. March 1, 1939. Volume XLIV. No. 5.

Here's Your Complete Picture

PROVIDENCE

THE 1939 MODEL TEST MARKET



You

were author of this Scenario:

Answering queries by Ross Federal Research Corp., in a survey made for Sales Management, 207 agency and manufacturer executives representing today's sales and advertising opinion stressed these as the most important requirements of a Test Market:

REPRESENTATIVE — as to average income
— as to character and types of people

DIVERSIFIED — as to sources of income

SELF-CONTAINED — an independent market

NORMAL — close to average in per capita sales
and in current business activity

COMPACT — as to consumers and good outlets

and ECONOMICAL — as to effectiveness of
newspaper coverage and co-operation

The Picture? Providence!

It's Compact, Convenient

Compact! — 250,000 people in less than 19 square miles . . . merging into populous suburbs for a total of 346,000 in the city zone.

Conveniently accessible, too! Providence is about 2½ hours from your New York office by Douglas airliner — with stewardess and everything. Convenient enough to warrant personal reconnaissance!

Your statistician can check the patly representative value of Providence as to population, per capita income, sales and current activity, its diversified industry and complete, independent distributive set-up, from the census and Sales Management's survey of buying power. The Bulletin's blanket coverage of ABC Providence is also documented in your files.

But personal impressions are more persuasive than statistics. Hop that Douglas liner. Look over this handy test city and its newspaper. Meet the staff, some of the local distributors and dealers and — oh, yes, the stewardess.

The picture will come to convincing life!

AT YOUR SERVICE

A competent, interested newspaper staff . . . time-saving route lists . . . and two well-edited monthly house organs for the trade.

The Evening Bulletin

Dominating New England's Second Largest Market

REPRESENTATIVES: Chas. H. Eddy Co., Inc., New York, Chicago, Boston, Atlanta • R. J. Bidwell Co., San Francisco, Los Angeles

MARCH 1, 1939

[3]

IF YOU'RE
LOOKING FOR
EXCEPTIONS
(EXCEPTIONALLY GOOD)
AMONG
MARKETS



**Houston's Record in 1938
Proves This City One of the
Half Dozen Best Business
Centers in the United States**

Houston department store sales showed a gain in 1938 over 1937, total bank deposits jumped \$30,000,000, savings deposits increased 3.2%, postal receipts rose \$100,000, building permits soared 34%, landing Houston fifth in the United States in volume of building; Houston's port commerce was highest in history, up 4.7% from 1937; Houston ranked fourth in the nation in a 12-month average of Brooke, Smith & French's reports of business activity in 147 trading centers; Advertising Age's Index of Retail Activity placed Houston fifth in the United States in percentage of change from 1937 (Houston was one of only five U. S. cities which did not show a loss). That was 1938, gentlemen, and this is 1939! You can shoot the works in Houston.

Employment in Houston is up 4.9%, and pay rolls up 8.2%, as of December 31, 1938, compared with a year ago. You can sell it in Houston.

THE HOUSTON CHRONICLE

FIRST IN CIRCULATION AND ADVERTISING
FOR OVER A QUARTER CENTURY

R. W. McCARTHY THE BRANHAM COMPANY
Manager National Advertising National Representatives

TO SELL HOUSTON—BUY CHRONICLE

Rudge got the order by figuring the total cost of the promotional project and proving that the printing cost was only 3% of the entire expenditure. Swayed by this argument, the executives decided not to quibble about a mere \$1,000.

There's an atmosphere of tradition about the present Rudge quarters, with examples of fine printing covering the walls and beautifully bound books lining the bookshelves. The firm has gradually absorbed many members of the original Mt. Vernon staff. For the past two years there have been big annual parties, attended by 200 or more guests, in honor of the issuance of important publications. In 1937, the 40 Wall Street book was the occasion. In 1938 it was "Miniature Camera Work," a 300-page book on photography; some of the minicam fans who came brought their cameras and photographed the presses turning out an edition of the book. It's a policy of the house to publicize its noteworthy jobs by attractive printed pieces, some of them collector's items in themselves, usually under the title of "The Job of the Month." Last year, at the Annual Printing Show, nine of the 53 prize-winners (chosen from 1,000 entries) were by Rudge.

Battle of the S--pellers

Bombarded as we were by advance publicity releases on behalf, respectively, of the girls of *Harper's Bazaar* and the boys of *Esquire*, in connection with their competition on Paul Wing's "Spelling Bee" over the NBC-Red network a few Sundays ago, we called up (having neglected to listen) to find how it all came out.

Esquire won 3 to 1. Elkin Kaufman, promotion manager of that magazine, was the last person standing.

The male supremacy, perhaps, was due to their more complicated preparations for the event. The *Esquire* boys wore white sweaters with blue "E's" embroidered on them, while the girls came in regular clothes. *Esquire* even had a water boy.

Both sides, of course, had cheering sections.

Sportsmanship prevailed throughout. The boys gave the girls gardenias beforehand, and afterward the girls took their licking like a man.

The *Harper's Bazaar* team comprised Frances Macfadden, managing editor; Elinor Neff, cosmetics editor; Jean Chiesa, Margaret Hockaday and Jean McClure. On *Esquire's* side were Mr. Kaufman; John Miller, New York edition manager; W. E. Howe, space salesman; R. H. Stiepock, research director, and William Wharton, manager of "Talking Shop with *Esquire*."

No-Soliciting Convention

A dealer convention which boasts, among other things, of "absolutely no soliciting of orders," will be held by Philco Distributors, Inc., New York division, at the Sherry-Netherland Hotel, March 6-11.

Philco calls it "the most extraordinary convention of its kind ever held in New York City." Philco also calls it an "all year 'round convention."

The "year 'round" comes from the fact that products to be shown reach their sales peak in every season—the new Conservador refrigerators by Philco, ABC washers and ironers, York portable air conditioners, Youngstown package kitchens, and a variety of Philco radios and radio equipment.

The convention will be on from 10 a. m. to 11 p. m. all six days. "Come any day or evening . . . at any hour convenient to you . . . Bring your wife or your sweetheart."

There will be "bountiful repasts . . . ample liquid refreshments . . . music, entertainment, thrills . . . surprises galore . . . souvenirs" . . . and home appliances as door prizes.

Admission will be by ticket only.

Proof

THAT THESE PROGRESSIVE PAPERS
ARE DOING A REAL SELLING JOB
AS THE RESULT OF INTELLIGENT
MERCHANTISING OF ADVERTISING
IN A RESULTFUL MARKET

THE DAILY COURIER-JOURNAL

ranked 6th among morning newspapers in General Advertising in 1938.

UP 7 POINTS
FROM 13th PLACE IN 1937

THE LOUISVILLE TIMES

ranked 19th among evening newspapers in General Advertising in 1938.

UP 16 POINTS
FROM 35th PLACE IN 1937

(Source: MEDIA RECORDS)

SELL THE RESPONSIVE KENTUCKIANA MARKET THRU—

The Courier-Journal
THE LOUISVILLE TIMES

REPRESENTED NATIONALLY BY THE BRANHAM COMPANY

MARCH 1, 1939

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Sales Management

VOL. XLIV. NO. 5

MARCH 1, 1939

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Notes from the Managing Editor's Desk

Since SALES MANAGEMENT's mail is invariably well peppered with requests from readers for sales contest ideas, we present in this issue Part I of a special editorial project on this subject. There will be later projects of the same character. To mention but two of them: One on ideas for conventions, conferences and sales meetings; one on lines of executive responsibility in corporate structure.

* * *

Compilations for the new Survey of Buying Power are practically completed. This issue—to be published as usual April 10—seems destined to be the biggest issue, from the standpoint of advertising volume, which SALES MANAGEMENT has ever sponsored. For months we have been unable to fill late orders for last year's study. SM is proud indeed that the Survey of Buying Power has become recognized as the standard work of its kind in America.

* * *

Reminder: The Annual Convention of the National Federation of Sales Executives will be held June 5, 6, and 7 in Philadelphia.

A. R. HAHN.

EDITORIAL STAFF: RAYMOND BILL, *Editor and Publisher*; PHILIP SALISBURY, *Executive Editor*; A. R. HAHN, *Managing Editor*; E. W. DAVIDSON, *News Editor*; M. E. SHUMAKER, *Desk Editor*; RAY B. PRESCOTT, *Director of Research*; F. R. PETRON, *Production Manager*.
ASSOCIATE EDITORS: JAMES R. DANIELS, LAWRENCE M. HUGHES, LESTER B. COLBY, D. G. BAIRD, L. R. BOULWARE, FRANK WAGGONER, S. A. WRIGHT.

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RADIO SCREEN STAGE

VARIETY

*With pardonable pride
SILLY MAN THIS
May we show you how
W SM service into sales
turns*

AWARDS

**ECCENTRICITY
IS DISCOUNTED
ARE ELIGIBLE**

**Special 1938 Award
for
Farm Service
Station
to
W SM
Nashville**



National Representatives: Edward Petry & Co.

The Faith of Our Audience Comes First

It's a well-known fact that very

A PERSON who buys something is generally called a consumer. A consumer—because the retail purchaser usually *eats or uses up* the things he buys.

The term consumer thus applies graphically to buyers of foods, drugs, clothes, oil, and gas. But "consumer" is a misnomer in the case of a *magazine* buyer. He uses, but does not *use up or eat* his magazine. As advertisers have known for years, a magazine is used by more than one in a single household, usually passing on to still further use *beyond* the household.

Follow that Magazine!

But *there's the rub*. *How many* more people *read* magazines than *buy* them? No one has known—with any certainty. Yet it is *important* for advertisers—when investing their money—to know how *big* an audi-

ence, how *valuable* an audience magazines reach.

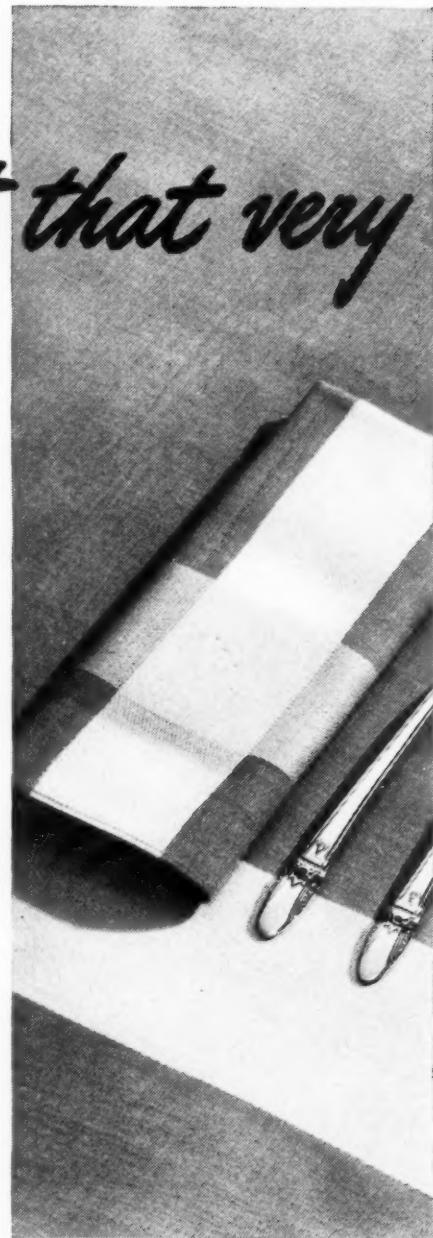
Hence LIFE's Continuing Study of Magazine Audiences!

Just as The Audit Bureau of Circulation has succeeded so admirably in establishing exact information on magazine *circulation*, so we now are seeking to establish accurate information on magazine *audiences*.

New Methods—New Accuracy

Recently developed research methods—new methods that are predicting election results and tides of public opinion with such amazing precision—have at last made possible *dependable* assays of actual magazine readership.

These methods are being employed for LIFE's Study by Crossley, Inc.—with direction and authentication by a committee of several of the leading research authorities of

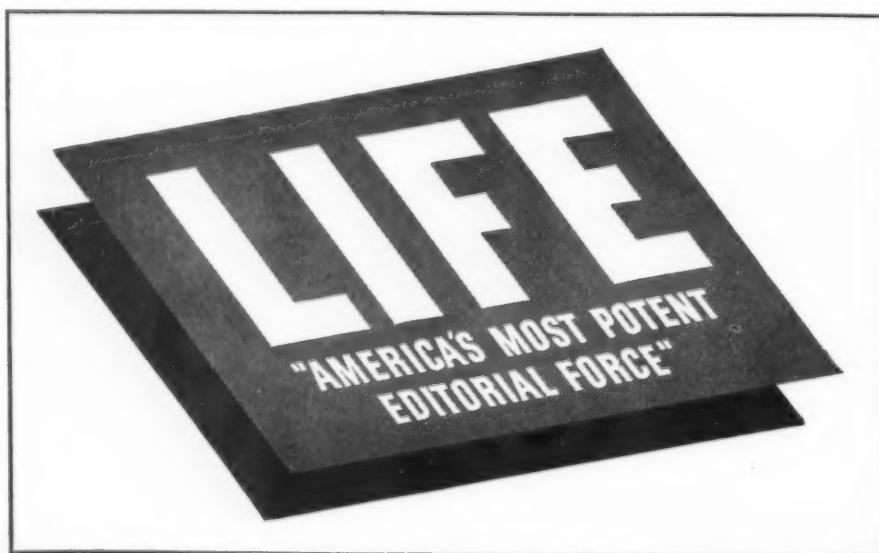


the country. The Study, therefore, is strictly fact-finding, *absolutely impartial*.

America in Miniature

The Study samples a *true cross section* of America. It samples *proper proportions* of nine geographical sections, each split into six population groups ranging from metropolis to farm. These groups are split by color, sex, and age groups from ten years up. And the spots picked for interviewing represent—also proportionally—each type of industrial and commercial activity, even each type of farming.

The interviews are made *personally* by trained research workers. The people counted as part of a magazine's audience must *demon-*



few people eat magazines



strate clearly that they have seen and remember getting into the magazine. The inevitable percentage of confusion and falsehood is recognized and *scientifically eliminated*.

The size and scope of the cross section sampled by the Study is considerably greater than is necessary for accurate *nation-wide* conclusions.

The procedures employed are the most modern, scientific, and *successful* research and statistical methods enjoying the confidence of business and governmental leaders today.

How the Study Serves You

LIFE's Continuing Study unquestionably arms you—for the first time—with reliable estimates of the total number of people who actually get

their hands on a weekly magazine, open it, and read part or all of it.

The number may surprise you.

But there it is—openly and soundly arrived at—offering a new clue for the measurement of *editorial interest and potency*.

This new measure, naturally, does not pretend to replace "net paid" circulation information. Rather—it augments and complements such information. And it is with this conception of *audience* figures that LIFE wishes to submit these findings . . . as a contribution to more intelligent, more thoroughly informed buying of advertising space . . . and a more effective means of impressing on the trade the true extent of your advertising's influence.

Here is the number of people—as shown by the Study—who see, open, and read part or all of each issue of the four largest weekly magazines:

Magazine	Audience	Circulation*
COLLIER'S . . .	15,900,000	2,633,878
LIBERTY . . .	14,000,000	2,485,395
LIFE	17,300,000	2,029,761
SATEVEPOST . .	12,900,000	3,055,123

*Third quarter 1938, publishers' statements

The complete methodology of LIFE's Continuing Study of Magazine Audiences, and its first findings, are available in "Report No. 1." It is worth studying—or letting one of us explain it to you—it contains the biggest advertising news in 25 years!

Sales Management's Future Sales Ratings

KEY TO RELATIVE SALES OUTLOOK RATING

- ★★★★★ Best relative outlook
- ★★★★ Very good relative outlook
- ★★★ Good (medium) relative outlook
- ★★ Fair relative outlook
- ★ Least impressive relative outlook

NOTE: This compilation is based on the relative position of one industry compared with all industries. In other words, an industry marked ★★ may have very good prospects in relation to its preceding year's volume, but its percentage increase may be slight compared with another industry which is marked ★★★★★.

	Sales Prospect for Mar., Apr. & May	Sales Prospect for Next 12 Months		Sales Prospect for Mar., Apr. & May	Sales Prospect for Next 12 Months
Advertising.....	★★★★★	★★★★★	Luggage.....	★★★★★	★★★★★
Air Conditioning.....	★★★★★	★★★★★	Machine Tools.....	★★★★★	★★★★★
Airline Travel.....	★★★★★	★★★★★	Machinery (Agr'l).....	★	★★★
Airplane Sales.....	★★★★★	★★★★★	Machinery (Ind'l).....	★★★★★	★★★★★
Automobile Sales.....	★★★★★	★★★★★	Meats.....	★★	★★
Automobile Tires.....	★★★★★	★★★★★	Metal Containers.....	★★	★★
Baking (General).....	★	★	Motion Picture Receipts.....	★★★	★★★
Banks (Revenues).....	★	★	Musical Instruments.....	★★★	★★★
Beer.....	★	★	Office Equipment.....	★★★	★★★
Building Materials.....	★★★★★	★★★★★	Oil (Cooking).....	★	★
Candy & Chewing Gum.....	★★★	★★	Paint.....	★★★★★	★★★★★
Canned Fruits and Vegetables.....	★	★	Paper (Newsprint).....	★★★	★★★
Cereals.....	★	★	Paper (Wrapping and Container).....	★★★	★★★★
Chemicals (Misc.).....	★★★★★	★★★★★	Photographic Supplies.....	★★★	★★★★
Cigarettes.....	★★	★★	Plastics.....	★★★	★★★★
Cigars.....	★	★	Printing and Publishing Equipment.....	★★★	★★★★
Clothing (Men's, Women's & Children's).....	★★	★★	Radios.....	★★★	★★★
Coal (Anthracite).....	★	★	Railroad Equipment.....	★★★★★	★★★★★
Coal (Bituminous).....	★★★★★	★★★★★	Railroad (Net Income).....	★★★★★	★★★★★
Cosmetics.....	★★★	★★★	Rayon Textiles.....	★★	★★
Cotton Textiles.....	★★	★	Refrigerators.....	★★★★★	★★★★★
Dairy Products.....	★★	★	Restaurants.....	★★	★★★★
Department Stores.....	★★	★★	Rural Stores.....	★	★★★
Diesel Engines.....	★★★★★	★★★★★	Security Financing.....	★★★★★	★★★★★
Drugs and Medicines.....	★★★	★★	Shipbuilding.....	★★★★★	★★★★★
Electrical Equipment (Heavy).....	★★★★★	★★★★★	Shoes.....	★★★★★	★★★★★
Electrical Equipment (Light).....	★★★★★	★★★	Silk Textiles.....	★	★
Exports.....	★	★★★	Soap.....	★★	★★
Flour.....	★	★	Soft Drinks.....	★★★	★★★
Furs.....	★★★★★	★★★★★	Sporting Goods.....	★★★	★★★
Gasoline and Oil.....	★★	★★	Stationery (Commer'l).....	★★★	★★★
Glass and Materials.....	★★★★★	★★★★★	Steel and Iron.....	★★★★★	★★★★★
Groceries.....	★	★	Sugar.....	★	★
Hardware.....	★★★★★	★★★★★	Surgical Equipment and Supplies.....	★★	★★
Hotels.....	★★★	★★★★★	Television.....	★★★★★	★★★★★
House Furnishings (Floor Coverings, Furniture, Beds, etc.).....	★★★★★	★★★★★	Toothpaste and Mouth Washes.....	★★	★★
Household Products (Kitchenware and Miscellaneous).....	★★★	★★★	Toys and Games.....	★★★	★★★
Imports.....	★★	★★★	Trailers (Autos).....	★	★
Insurance (Life).....	★★	★	Travel (Sea).....	★★★	★★★★
Jewelry.....	★★★★★	★★★★★	Trucks.....	★★★★★	★★★★★
Laundry.....	★★★	★★★	Utilities—Electric.....	★★	★★
Liquor (Alcoholic Beverages).....	★★	★	Utilities—Gas.....	★	★
			Utilities—Telegraph.....	★★	★★
			Utilities—Telephone.....	★★★	★★★
			Washing Machines.....	★★★	★★★

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Fundamentals Are Present for Major Business Expansion

The fundamentals for a large business expansion this Spring continue. Commodity prices are low and there are no distress inventories to liquidate; in fact, retailers in the aggregate have no more on their shelves than in 1934, when sales were considerably smaller. Interest rates are the lowest on record and the banking structure is sound and bulwarked by the Federal Deposit Insurance Corp. Labor has grown definitely more peaceful, while Congress is the most conservative in years, thus lessening the likelihood of new radical legislation disturbing to business, and increasing the possibility of changes in certain laws considered objectionable, such as the Wagner Labor Act. The only major current depressant is possible war abroad.

Vast Utilities Expansion Likely

Tendencies to conservatism are in some degree reflected in the moderation of Federal utility policies; utility officials believe that the recent settlement of the TVA-Commonwealth & Southern controversy over the sale of the latter's properties may result in the launching of private utility construction involving \$1,000,000,000 expenditures. Scheduled appeasement efforts of the new Secretary of Commerce—Harry Hopkins—promise possibilities of progress in developing good will between the Administration and business. Since fundamentals for business expansion are exceptionally favorable, the improvement of business men's sentiment, particularly as concerns confidence in forward planning, is of prime importance.

Although a move for economy is being spurred by Congress, no let-down of Federal expenditures is indicated for 1939. The \$1,400,000,000 public works program which Congress authorized last year has barely begun; the armament program is just getting under way and the Federal slum clearance program has hardly been initiated, even as private building awards advance to the highest levels since 1929. As a matter of fact, the public works program will involve larger outlays in the second half of this year than in the first, with still larger outlays indicated for the first half of 1940. Thus, while aggregate Federal expenditures may reach a temporary peak this summer, vital stimulation to business from this source is in prospect for some time thereafter.

How to Reach the Men Who Buy

Only control turns circulation into thorough market coverage

The job of a business magazine editor is to attract the attention and reading of a certain "type" of man. But, as every sales manager knows very well, there are many more men in any specific market of the right "type" than there are actual buyers. The capacity or authority to buy is not delineated by editorial interest.

A group of publishers some years ago recognized this fact, and did something about it. They said, "The editorial quality of a publication merely decides how well the book is read *if it has a chance*. Let us give our periodicals 100% opportunity for reading by the *buying power* of our specific markets. We will *control* our circulations as well as our editorial appeal. Under accurate *control* we will put our maga-

zines before *just* the men our advertisers must sell, not part of them but all of the key men, market-wise. We will not waste circulation on men without buying capacity or authority. We will save a great deal on costly subscription sales work and thus be able to do a better editorial job and a thoroughly scientific job of accurate market coverage."

It is obvious that such an achievement was possible only with *controlled* circulation. What a success it has been is attested by the praise of many alert advertisers who have long profited by this more scientific approach to advertising efficiency. Any C.C.A. publication serving your markets is prepared to give you authenticated facts.

THIS ADVERTISEMENT IS SPONSORED AND PAID FOR BY THESE LEADING C.C.A. PUBLICATIONS

AMERICAN POLICE REVIEW
BAKERS REVIEW
BANKERS MONTHLY
BETTER ROADS
BEVERAGE RETAILER
WEEKLY
COMPRESSED AIR
MAGAZINE
CONSTRUCTION DIGEST
CONTRACTORS &
ENGINEERS MONTHLY
DIESEL PROGRESS
DRUG TOPICS
DUN'S REVIEW
ELECTRIC LIGHT & POWER
ELECTRICAL DEALER
ELECTRICAL
MANUFACTURING
EXCAVATING ENGINEER
FLEET OWNER

GOLDFDOM
HITCHCOCK'S MACHINE
TOOL BLUE BOOK
HOSPITAL TOPICS & BUYER
INDUSTRIAL EQUIPMENT
NEWS
INDUSTRIAL POWER
INDUSTRY & WELDING
JOBBER TOPICS
LIQUOR STORE &
DISPENSER
MACHINE DESIGN
MEAT
MEDICAL ECONOMICS

MILL & FACTORY
MODERN MACHINE SHOP
NATIONAL JEWELER
NEW EQUIPMENT DIGEST
The OFFICE
Magazine of Office Equipment
PETROLEUM MARKETER
PREMIUM PRACTICE
PROGRESSIVE GROCER
ROADS AND STREETS
RUG PROFITS
SODA FOUNTAIN
SUPER SERVICE STATION
SYNDICATE STORE
MERCHANDISER
TIRES
WHAT'S NEW IN HOME
ECONOMICS
WOOD PRODUCTS



CONTROLLED CIRCULATION PUBLICATIONS

1938 Effective Buying Income

STATES	Monthly Income Ratio Dec. 1938 as % of Dec. 1937	Monthly Income Ratio Nov. 1938 as % of Nov. 1937	Year-to-date Ratio January-Dec. as % of same 1937 period	Year-to-date Ratio January-Nov. as % of same 1937 period	Effective Buying Income per Family Latest Annual Basis	Families (In thousands)
Connecticut	97.9	91.2	81.0	78.2	\$2,560	388.7
Maine	103.2	90.7	83.7	82.4	1,921	197.8
Massachusetts	100.0	95.7	86.6	84.0	2,675	1,021.2
New Hampshire	100.0	92.0	84.5	82.4	2,010	119.3
Rhode Island	100.8	99.7	87.8	86.4	2,600	165.3
Vermont	100.0	93.2	88.6	85.7	2,187	89.2
New England	99.8	94.9	85.2	82.6	2,507	1,981.5
New Jersey	97.5	93.1	90.4	88.2	2,587	985.7
New York	96.6	92.6	90.3	86.6	3,071	3,153.1
Pennsylvania	93.0	87.8	81.7	78.3	2,208	2,235.6
Middle Atlantic	95.7	91.2	87.6	84.2	2,691	6,374.4
Illinois	93.4	88.6	90.4	84.0	2,283	1,929.4
Indiana	100.7	89.6	80.1	76.0	1,680	843.1
Michigan	102.9	85.4	78.2	68.3	2,262	1,180.6
Ohio	98.2	89.9	81.1	76.1	2,098	1,897.9
Wisconsin	91.5	86.4	89.4	84.3	2,248	711.8
East North Central	96.6	88.1	84.1	78.1	2,140	8,362.8
Iowa	97.8	104.3	97.6	94.4	2,031	635.7
Kansas	85.4	91.1	89.3	86.5	1,623	487.2
Minnesota	91.1	92.2	96.0	91.5	2,439	806.5
Missouri	100.6	96.6	92.4	89.3	1,948	939.5
Nebraska	100.0	95.3	92.1	89.2	1,632	343.0
North Dakota	95.2	96.6	92.9	93.2	1,620	145.0
South Dakota	114.2	103.9	98.8	101.3	1,555	181.0
West North Central	95.8	96.6	94.0	91.0	1,938	3,317.9
Delaware	94.1	87.9	87.0	84.6	2,364	59.1
District of Columbia	103.7	100.5	99.6	99.9	3,770	125.6
Florida	92.4	92.3	94.4	89.4	1,917	378.4
Georgia	98.7	95.3	90.7	86.8	1,369	652.8
Maryland	98.7	91.3	89.8	86.2	2,362	388.2
North Carolina	103.4	92.9	92.2	89.6	1,424	644.0
South Carolina	95.2	94.9	90.7	88.6	1,176	365.7
Virginia	96.3	100.2	92.7	89.7	1,825	529.1
West Virginia	91.2	89.4	83.4	78.7	1,491	373.9
South Atlantic	97.6	94.3	91.3	88.2	1,681	3,511.8
Alabama	90.8	92.8	83.4	86.3	833	591.6
Kentucky	94.4	91.5	88.3	85.7	1,264	808.4
Mississippi	84.8	98.0	89.8	90.6	690	471.7
Tennessee	97.3	94.1	90.9	87.7	1,454	600.6
East South Central	92.7	93.8	88.2	87.2	1,109	2,273.3
Arkansas	91.3	93.2	93.5	91.4	1,083	438.6
Louisiana	95.8	94.9	97.9	91.3	1,422	485.4
Oklahoma	91.3	96.0	93.8	90.9	1,647	564.2
Texas	90.0	95.4	93.4	95.4	2,028	1,380.1
West South Central	91.3	95.2	94.0	94.3	1,703	2,888.3
Arizona	100.0	91.2	88.5	82.8	2,074	108.0
Colorado	100.0	101.4	87.5	85.8	1,880	287.3
Idaho	95.7	92.4	81.9	81.5	2,006	108.1
Montana	116.6	106.7	82.1	81.8	2,056	138.2
Nevada	113.7	106.2	94.6	92.7	2,750	25.5
New Mexico	100.0	87.6	89.4	87.6	1,820	98.5
Utah	87.0	82.9	89.8	85.1	2,125	115.9
Wyoming	100.0	91.4	82.5	88.8	2,580	58.9
Mountain	100.5	95.2	87.0	84.8	2,011	914.4
California	94.8	92.2	93.3	91.6	2,700	1,610.1
Oregon	100.0	95.7	90.2	87.0	2,178	288.3
Washington	98.6	96.0	89.0	86.1	2,338	423.8
Pacific	95.8	93.1	92.3	90.3	2,573	2,300.2
U. S. A.	96.1	92.4	88.5	85.2	2,117	29,904.8

1938 Income 11.5% Below '37; Per Family Income Was \$2,117

The vigorous upswing during the last five or six months of 1938 brought the nation's 12-month income back from the depths to 88.5% of the previous year. Per family income for the year was \$2,117 against \$2,392 in '37.

Twenty-three states were within 10% of 1937. These 23 states in 1937 accounted for 55.5% of the country's effective buying income. They were, with their percentage of the nation's effective buying income in 1937:

New Jersey	3.9434
New York	14.9911
Illinois	6.8099
Iowa	1.8493
Minnesota	2.1543
Missouri	2.7694
Nebraska	.8499
North Dakota	.3536
South Dakota	.3543
District of Columbia	.6646
Florida	1.0692
North Carolina	1.3913
South Carolina	.6630
Virginia	1.2970
Tennessee	1.3437
Arkansas	.7102
Louisiana	.9860
Oklahoma	1.3848
Texas	4.1889
Nevada	.1035
Wyoming	.2218
California	6.5129
Oregon	.8991

The month of December alone made further gains almost all along the line. As compared with the November-November figure 38 states went forward. Seven sections gained. Two of the greatest gains were in the highly industrial states of Indiana and Michigan—11.1 and 17.5 points.

In December 19 states were ahead of December, 1937, 14 were within 5% of the comparable month of 1937, 13 were between 5% and 10% and only three states were more than 10% behind. The state making the best showing compared with December, 1937, was Montana, which had climbed rapidly for two months and stood at 116.6, closely followed by South Dakota at 114.2 and Nevada at 113.7. The least impressive state was Mississippi—84.8.

All of the sections in December were within 10% of the 1937 figure. The Mountain section was actually above at 100.5. The other sections were as follows:

New England	99.8%
South Atlantic	97.6
East North Central	96.6
West North Central	95.8
Pacific	95.8
Middle Atlantic	95.7
East South Central	92.7
West South Central	91.3

It's the *LIFE* they lead...

SUBURBAN

WHETHER THEY LIVE IN . . .
DENVER, COLORADO
SHAKER HEIGHTS, OHIO
FREDERICKTOWN, MO.



Home of Subscriber Mr. & Mrs. Paul Atchison, 1254 Monaco, Denver, Colo.



Home of Subscriber Mr. & Mrs. O. E. Gaiser, 3565 Townley, Shaker Heights, O.



Home of Subscriber Mr. & Mrs. S. C. Slaughter at Fredericktown, Missouri



PEOPLE WHO BUILD their own homes build *themselves* into it. So it isn't a chore or a bore . . . it's an adventure!

The babble about blue prints is music to their ears. So is the song of the saw, the drone of the plane, the echo of flying hammers! Technical jargon . . . whether it relates to insulation or refrigeration . . . becomes "their" language in short order.

After all, they are building more than a place of shelter . . . they are building a *Center of Happiness*. Around this home and garden will revolve their entire pattern of life: a mode of life that is "suburban" in its real sense . . . whether they live in a big town or small town or in-between.

It is the special function of Better Homes & Gardens to mirror this *suburban* mode of living. It tells America's Suburbanites how to get more out of life: how to build better homes; plan better gardens; rear better children; serve better foods!

That's why we say: *It's the life they lead* that makes these 1,850,000 families your best volume market. *It's the book they read* that makes it possible for you to reach *at one cost* the largest single group of home-owning-minded families in the nation. Here, Mr. Advertiser, is America's Biggest Suburban Home Market . . . and no mistake!

Meredith Publishing Co., Des Moines.

BETTER HOMES & GARDENS

REACHING 1,850,000 FAMILIES
AMERICA'S BIGGEST HOME MARKET



It's the *BOOK* they read

The most *National*-and *Local* circulation in any one magazine

TWO problems primarily confront every manufacturer who seeks to sell his goods in a nationwide market. The American Weekly is the *one* magazine that settles them both.

It meets the need for *national* advertising—with the largest magazine circulation in the world. It reaches one out of every four families in the United States who read English.

At the same time, it answers the salesman's and dealer's question: "How about magazine advertising that will show local results?" (Not merely in a few cities and towns, but in hundreds from coast to coast!)

Of course any kind of advertising produces some sort of local results. But sales managers know that they can't begin to feel results from magazine advertising—can't begin to see *action*—until coverage hits a minimum of 20% of the families in a city or town.

The American Weekly reaches 20% or more of *all* the families in 656 of the 995 cities of 10,000 population and over—the *richest buying areas*. It reaches 20% or more—an average of 46%—of *all* the families in 1,918 of the 3,165 towns and cities of 2,500 and over where \$4 out of every \$5 are spent.

Or—to put it another way—at the lowest price per thousand* of any national magazine, The American Weekly reaches an audience *every week* that is bigger than the average of the ten top programs on the air. With a full page in color, more than twice the size of any other magazine page in the world, The American Weekly reaches over six and a half million families at a cost of only \$18,000 . . . *less than 3¢ cent per family*.

That's the kind of coverage manufacturers need today to make a dent in the market that has seen total magazine circulations jump from 20 million to 79 million copies per issue since advertisers first studied their

*ABC figures, 1938, show a color page in The American Weekly costs \$2.77 per thousand.



ABC reports...No wonder shrewd advertisers are beginning to say, "It looks as if sales conditions today demand a new leader in the magazine field—and The American Weekly's the one that's got what it takes!"



Cock-A-Doodle-Doo!

February is the second month this year to record increased advertising lineage published in The American Weekly over the same month of 1938. In volume of orders secured in January, for publication in 1939, there was an increase of 26% over January of last year.

THE AMERICAN A WEEKLY

Greatest Circulation in the World

"The National Magazine with Local Influence"

MAIN OFFICE: 959 EIGHTH AVENUE, NEW YORK CITY

Significant Trends

As seen by the Editors of SALES MANAGEMENT for the fortnight ending March 1, 1939:

Washington Impressions

are more sharply etched. The city is set on recovery.

• • • There seems to be almost unanimity of opinion that between now and the 1940 elections there will be a virtual cessation of further reform legislation, a modifying and refining of past legislation so as to make it more understandable and more workable, a determination to do everything within reason to make business better, and a belief that this can and will be accomplished.

• • • Much is expected from the new Secretary of Commerce, Harry Hopkins. Business men, newspaper men and non-political bureau heads in the Department of Commerce all seem to be favorably impressed with his grasp of business problems, his administrative ability, his sincere desire to make the department more helpful to domestic business than ever before. Results are most likely to be apparent to our readers in the Census Bureau and in the Bureau of Foreign and Domestic Commerce. Observers of the Washington scene during the past two decades say that, judging by the relative emphasis put on the two sections, the word "foreign" should have been spelled in 48-point type and the word "domestic" in six-point type. Under the Hopkins administration, it is expected that domestic commerce, which has a relative importance of nine to one over foreign, will come much nearer to having the degree of cooperation it deserves.

• • • Mr. Hopkins, who, as everyone knows, is close to the President, is said to have a program designed not to compromise any of the essential reform policies of the New Deal, but to consolidate these new changes, to put drive into the business picture, and especially into the capital and heavy industries fields. Some members of the National Advisory Council, made up of business men, although refusing to give details of the plan, say without equivocation that they expect it to be the most important single development in the nation's economy in the last ten years.

• • • You may have read in the newspapers of the creation under Attorney-General Murphy of a Civil Liberties Bureau, but emphasis was not given to one factor which is likely to have an important effect on business. The bureau is being set up with the premise that in a democracy everyone has a right to have an opinion and to express that opinion freely. Acting under that premise, the new bureau will see to it that Mr. Ford has the same opportunity to "propagandize" his workers on his theories of labor organization as the CIO and AFL are given under the Wagner Act. This, of course, may mean a clash between the new Department of Justice bureau and the NLRB.

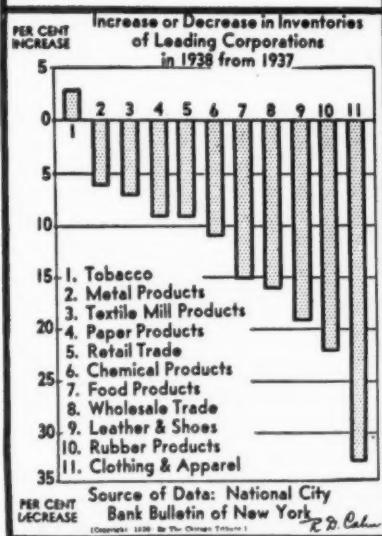
• • • A number of administrative officials in a position to exert tremendous influence on business realize now that the purchasing power of the nation is no static

thing, and they refer both to the purchasing power of corporations and individuals. There is a twilight area between where economics leaves off and psychology begins. Your individual purchasing power and that of your corporation changes from day to day. As an individual, for example, you are more likely to be an optimist and a free purchaser on a sunshiny as against a rainy day; more likely to purchase freely if you are in the pink of condition than if you are constipated; more likely to make forward commitments if everybody else is doing it than if there is a pervading gloom.

• • • A leading official of the Federal Reserve Board, a non-political appointee who has been on the job since the early 20's, expressed the opinion that there is no need to have any acute worries about the size of the public debt, that there is a difference between an individual's private debt and a public internal debt, that the bookkeeping system of the U. S. Government should be changed so as to show the approximately \$10,000,000,000 in "recoverable assets," that deficit spending while private employment lags should be considered as an insurance premium against revolution. These opinions have been expressed many times by Mr. Roosevelt and his spokesmen, and are repeated here only because they are concurred in by this fiscal expert, who is not generally regarded as a pro-New Dealer.

• • • The thousands of words being written from Washington about a "turn to the right" need a little further explanation. In this editor's opinion, maintaining the status quo is a more realistic statement. Even though the Republicans come back in 1940 there is little likelihood of the repeal of any of the Roosevelt reforms. If a man ceases to go to the left he doesn't necessarily turn to the right. He may simply stand still and consolidate his position. That seems to be what is happening in Washington.

A Year Has Made a Lot of Difference in the Inventory Situation



One of the strongest reasons for believing that the present lull is only temporary and will be followed by a healthy spurt is that the inventory situation among manufacturers, wholesalers and retailers calls strongly for a replenishment of stocks. Study this chart and you will agree that the nation is certainly not overextended.

New Advances in Trade Trend

decline but will reach that point somewhere around March 11. "The strength in the Directional Index at this time . . . is evidence that we were right in our expectation that the basic trend would continue strong and the present setback prove to be merely an interruption of the business upturn which began last year and will probably not terminate until 1940."

Col. Leonard P. Ayres seems to concur with this reasoning, blames the duration and the vigor of the Autumn advance for the present lull, looks for new advances starting soon. Speaking of current conditions he says "the national income has declined very slightly from December levels and farm cash income has advanced. There has been only a small decrease in factory employment and little in factory payrolls. The volume of department store sales has held up well, and there has been a small decrease in the cost of living."

The Colonel's remarks about farm income seem to be borne out in figures of rural retail sales of general merchandise in January. Department of Commerce reports were the highest on record for that month.

Many people believe that department store sales, which declined in January by slightly more than the seasonal amount (the index number was 88 as compared with 89 in the two preceding months) would be much nearer normal if the stores had adequate stocks. The wife of one of SALES MANAGEMENT's officials, after trying in vain to buy certain items of crockery and furniture in New York and Brooklyn department stores, remarked that the stores had become something like a Sears, Roebuck catalog, but not nearly so interesting or convenient because you could read the catalog in your own living room. She found that in store after store when she wanted to buy certain items the clerks explained that what she had seen was merely a store sample, and that they could make deliveries in a week or ten days. Similar reports come from all over the country. Store officials apparently were determined to have a low inventory showing as of the end of the year, and haven't refilled their stocks.

The head of a business magazine which has a big circulation among department stores reports that eight days before Christmas a big department store telephoned them wanting to know the source for purchase of mittens. The publication was officially closed that Saturday and the person who answered the 'phone said that they'd send the information on Monday; but the department store buyer said "No, we want it immediately so that we can get the mittens by two o'clock this afternoon." It was then 12 o'clock, and, as the publisher remarks: "That's buying from hand to mouth, in my opinion."

Because of this condition, many manufacturers gave the Bronx cheer to a statement by Walter Hoving, president of Lord & Taylor, who urged manufacturers the other day to speed up their production and told them that business underestimates the coming trade increase. The average manufacturer argues that he has plenty of merchandise and that the department stores ought to take it if they are so optimistic about the future of business this Spring.

The Hoskins-Dewey Directional Index, according to its sponsors, has probably not completed its

The Northwestern National Life Insurance Co. points out that trade in men's wear is one of the early barometer signals of both slumps and recoveries, that sales of these items signaled the depression of 1937 several months before its general onset, and that both December and January sales held well ahead of the corresponding months of a year ago.

Business certainly isn't bad for Buick. Retail sales for the first half of February were the best for the period in the history of the company.

In December, for the first time in more than a year, the average American had a greater purchasing power than in the same month a year ago. Effective buying incomes for the December month and the complete year are given by states and sections on page 12. They show a December income 96.1% of a year ago, but the "real income" which is a combination of cash income and cost of living, went slightly over the 100 mark because living costs at the end of the year were only 94 cents as contrasted with \$1 at the start of the year.

Roger Babson concludes an optimistic bulletin with this summary, "With but one exception (1937) Spring should be the best in the past ten years. Estimated increase over the low production of a year ago is 30%."

The consensus of a number of business advisory services points to these cities as showing the most rapid increase and deserving of a jump in sales quotas: Boston, Cleveland, Louisville, Pittsburgh, San Francisco, Toledo, Atlanta, Dallas, Houston, Indianapolis, Jacksonville, Miami, Nashville, Richmond, Winston-Salem, Washington, New York, Detroit, Flint, and Youngstown.

If you are interested in television and when the miracle is likely to begin commercially, here's a bibliography of four good current articles. A booklet which you can obtain from the General Electric Co. called "A Miracle Begins—Straight Facts about Television"; Number 15 of a series of special reports by *Business Week*, called "1939, Television Year"; the February, 1939, house organ of Van Sant, Dugdale & Co., Inc., Baltimore; a feature article in the February 20 issue of *Life*.

Speak Up—Life Insurance!

Testimony before the TNEC in Washington in the last month—reported in thousands of stories in hundreds of newspapers—has suggested, among other things, that the so-called "mutual" life insurance companies are dominated by a small, powerful and irresponsible oligarchy.

Some of this testimony may be exaggerated. Some may be false.

But all of it helps to jeopardize the \$27,000,000,000 life insurance business, and the faith of its 64,000,000 policyholders.

To restore this faith, the life insurance companies—singly and collectively—should tell their side of the story to every policyholder and every prospect in advertising campaigns.

They should start doing this before the seeds of doubt begin to grow and multiply.

They should start to answer now.



Dreese

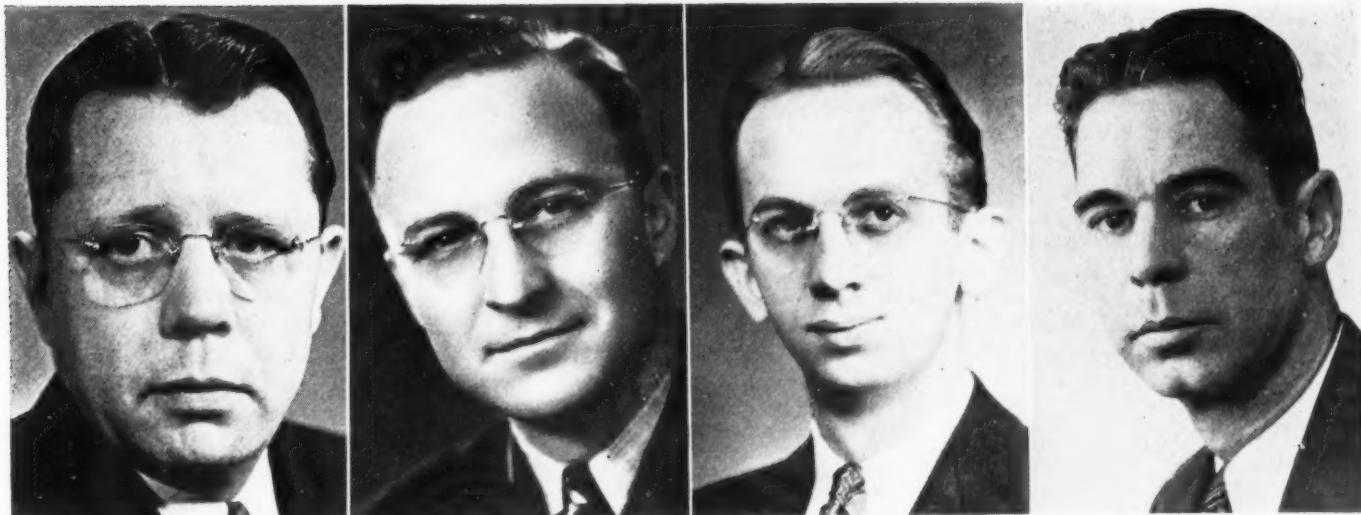
Southard

Kraatz

Ruppert

Burns H. Dreese is appointed gen. mgr. of Hobart Manufacturing Co., Troy, Ohio. He has been asst. gen. mgr. since 1934, and was for 20 years with Dayton Scale Co. before its acquisition by Hobart. . . . Paul E. Southard will reorganize methods of dealer and distributor operations for American Record Corp., New York, newest affiliate of Columbia Broadcasting System. He was most recently musical merchandise specialist for RCA Victor; before that with Brunswick-Balke-Collender, and Aeolian Piano. He originated a standard system by which distributors and dealers may control their stocks in conformity with existing conditions. . . . Carl P. Kraatz resigns as ad-merchandising director of National Brands Stores, Inc., to become asst. to the v.p. in charge of sales of Cudahy Packing Co., Chicago. He has spent the last 15 years in merchandising foods with chain and voluntary stores, holding such posts as asst. s. m. of A & P; ad mgr. Geo. A. Hormel Co.; national supervisor to I. G. A. stores. . . . George E. Ruppert succeeds his brother, the late Col. Jacob Ruppert, as president of the Jacob Ruppert Brewery, New York. Mr. Ruppert, who has been with the firm for 40 years, has been executive v.p. for the past 20 years. . . .

NEWS REEL



Eller

Black

Schellenberg

Hammond

Russell Z. Eller succeeds W. B. Geissinger as ad mgr. of California Fruit Growers Exchange, Los Angeles. (Mr. Geissinger has joined Lord & Thomas agency, Chicago.) Mr. Eller joined Sunkist's dealer service staff in 1923. Six years later he was sent to England to organize dealer service there and to supervise Sunkist's first extensive ad campaign in Europe. In 1932 he became asst. ad mgr. . . . J. N. Black is named gen. s. m. of Parker Pen Co., Janesville, Wis. He has been with the firm since 1929, acting for the past several years as asst. s. m. . . . A. B. Schellenberg succeeds the late J. L. Shrode as president of Aleo Valve Co., St. Louis. Starting in the engineering department of Aleo in 1929, four years after its founding by Mr. Shrode, Mr. Schellenberg rose to the vice-presidency. . . . J. C. Hammond is appointed mgr. of national account sales of National Battery Co., St. Paul. Last Spring he resigned as sales supervisor of Electric Storage Battery Co., Chicago. At the time of transferring to National, he had completed 17 years' service with Exide.

An examination of the history of more than 200 advertising accounts shows that advertisers change agencies usually for one or more of 14 reasons—running all the way from sound reasons of policy down to mere restless yearning for change.

What Factors Influence the Placing of an Advertising Account?

HOW do advertisers select their advertising agencies? Do they give their accounts to friends or relatives who are in the agency business? Do they decide to take the agency that sells them the hardest or that puts on the biggest show? Do they pick agencies that are recommended by members of their club or by business associates? Or do they ferret out the agency that by experience and by the character of its personnel seems best qualified to handle their account?

I have been prying into this subject for months. In this study a thorough examination of the history of 135 account changes was made. A casual examination of about 100 other accounts was also included. In addition, I talked to many agencies as to how they sell agency service, and to a large number of advertisers as to how they selected their present agencies. Altogether the study represents the experiences of several hundred advertisers.

The net of the study is that agencies are selected in no one way or for no one reason. Scores of considerations usually enter into the engaging of an agency. A hundred and one influences are brought to bear, both by the advertiser and the agencies in the case, before a choice is finally made.

Agencies are selected by two types of advertisers: (1) New advertisers who did not have an agency before or at least not for several years. (2) Old advertisers who for one reason or another want to make a change. More than 90% of the accounts analyzed in this study were in the second class.

There are many reasons why an advertiser may decide to try another agency. It does not always mean that the agency that has been serving the account has not made good. Advertisers change agencies for much the same reason that they change lawyers or doctors, or switch to a different brand of cigarettes. They often change merely for the sake of the change.

[18]

The first of two articles

BY

JOHN ALLEN
MURPHY

The advertisers covered in this study gave 14 different reasons for swapping agencies. They are:

(1) They got sick of seeing the same old advertising year after year. Their agencies seemed unable to get a new note into their campaigns.

(2) They gave their accounts to agencies that came along with better ideas than the ones they had been using.

(3) They decided that their agencies were handling other accounts that bordered too closely on their own lines. Most advertisers insist that their agencies serve but one firm in a field.

(4) Agencies sometimes give up clients because they have secured a larger or more profitable account in a competing line.

(5) Agencies have given up clients because they were too hard to handle. Either they exacted demands that made the account unprofitable or they were located so far from the agency's headquarters that good service could not be given.

(6) In a few instances, advertisers who are centralizing, have moved their general offices in large cities back to their factories, which are often in smaller places. Where this has happened, in some cases, the agency has been obliged to surrender the account to an agency already established in the community or to an agency that was willing to set up a branch at a nearby point.

(7) When an account executive goes with another agency, some of his clients may decide to follow him. This is a common reason for account changes.

(8) Advertisers sometimes switch to agencies that promise to handle their business on a more economical basis. An offer to split the commission may figure in such transactions. Not always, however. There are many different ways of servicing an account, and there are also many different classes of media and types of advertising. Some of these require larger appropriations than others. Advertisers occasionally select another agency because they feel it is better equipped to work on an appropriation of their size.

(9) Likewise, a company may decide to advertise in a new way altogether. For example, it may move over from outdoor advertising to radio. In such an event, it may feel it needs another type of agency.

(10) Many advertisers change agencies to give friends or relatives the business.

(11) It is a moot question in many companies whether to select a general advertising agency or a specialty agency. Often a concern will place its advertising through a general agency for two or three years and then make up its mind to switch to a specialty agency. Or it may be the reverse of this—from the specialty agency to the general.

(12) Disagreement as to policies once in a while results in a rupture of agency relations. The client and the agency cannot agree on policy and regardless of which side is right the account goes elsewhere.

(13) Dissatisfaction with an agency's personnel is frequently the reason for an advertiser's making a change.

(14) More and more advertisers are switching to other agencies because they feel that the agency that has been placing their business does not render a broad enough service. Many agencies are set up to help their clients only with advertising. Advertisers are beginning to demand help with their other selling activities.

In view of the definite reasons why

SALES MANAGEMENT

advertisers dismiss their present agencies, it would seem as though the selection of another agency would be an easy matter. One would imagine that all the advertiser had to do would be to look for an agency that had the equipment or qualifications or the personnel or the experience that the previously used agency lacked.

But it is not so simple as that. In fact, in actual practice, the picking of an agency is usually a highly complicated matter. In making the selection, one or several of these 15 methods are customarily followed:

Number 1. This might be called the blood-is-thicker-than-ability method. In such cases, the advertiser gives his account to the agency with which a son or son-in-law or some other relative is associated. The relative may be his own or that of one of the officials or executives of the company.

This procedure has always been followed somewhat, but it came into wider use during the depression. Jobs were scarce and salaries were inadequate for well-educated and well-reared young men. What better solution of the problem than to give the advertising to the agency that would take care of these young men!

"You Get Dad's Business, If..."

In several instances the whole deal was engineered by the enterprising relatives, under their own steam. They sold themselves into lucrative positions on the condition that they could swing Dad's or Uncle's account. Many companies have a policy of not hiring relatives. Even officials cannot employ their own sons. The sons cannot be blamed, then, if they seek berths with organizations that supply goods or services to their fathers' concerns.

Agencies, too, sometimes initiate deals of this type. They solicit business on a nepotism appeal. They employ an advertiser's relative and then go after the account. Or they ask for the account, promising that a relative will be given a job.

Of course, in many cases the relatives are well qualified for the agency position. It is assumed that they are in every case. It is argued that all good agencies offer pretty much the same grade of service, and that the fact that they employ a relative of the advertiser in no way detracts from the quality of their service. Nevertheless, this is only assumed. The agency is selected primarily on the basis of nepotism and not on a consideration of its qualifications for handling the account.

Number 2. A second method that is followed in the selection of agencies

Thumbnail Dramas Lend Zest and Color to Frigidaire's 1939 Sales Conventions

When Frigidaire Division of General Motors Corp. held its 1939 district sales conventions in 33 cities last month, it had traveling around the country three crews of actors, electricians, stage hands, etc. With each crew went two baggage cars of stage props—all a part of the dramatic skits Frigidaire put on to give dealers the story of its new electric refrigerators, ranges, commercial equipment and advertising and merchandising plans for the coming year. Pictured here are a few shots from the skits with which Frigidaire armed its dealers with their 1939 sales weapons.



1. When the curtain went up on Act 1 dealers got a glimpse of one of the first electric refrigerators for home use, spotted against a bright blue back-drop. In those days, this mechanical marvel was called a "domelre" (contraction of "domestic electric refrigerator").

2. This scene depicted the building of an early electric refrigerator in Chicago in 1925. Somewhere in Frigidaire's files was found a photograph of the actual workshop in which this refrigerator was built, and as part of the dramatic presentation this photograph was reproduced in the stage set, faithful even to the placement of windows and position of materials on the work table.

3. Here we have the persuasive salesman and the dubious buyer of 1927. The refrigerator cabinet had gone through a minor job of streamlining since the earlier edition, but the buyer still isn't sure that the machine age is here to stay. He's saying here "No, sirree, not for me. That thing might blow up."

4. In the next skit, which carried a message to dealers, the employees of a recalcitrant dealer's shop endeavor to persuade him to stock the Frigidaire line earlier in the season, thus giving them a head start on their selling activities. Here we find the dealer, who has ignored his employees' advice, returning to his shop after an illness (note cane) to find that the boys have gone ahead and installed the Frigidaire line earlier than usual without his knowledge. He begins to bawl them out for overriding his authority—when suddenly the heretofore meek bookkeeper, steps forward and counters with "Now you listen to me. . . ."

5. In this scene, from the commercial skit, a group of dealers selling Frigidaire commercial installations are talking over the new Frigidaire merchandising plans. Dealer Do-Not-Hold-with-These-Newfangled-Ideas sneers at the rest, constantly interrupting with an account of how he used to sell this type of equipment ten years ago. "And," he adds, "in 1928 I sold more than I've ever sold since." After half a dozen interruptions, the 1928 dealer is pounced upon and pushed off the stage by the others, who are convinced that merchandising methods today are superior to those of former years.



is akin to the first. Advertisers often give their accounts to men in the agency business with whom they went to college or who belong to the same clubs or with whom they play golf or bridge or whatever their favorite game is. A surprisingly large proportion of business is placed on this basis.

Many advertisers told me that they gave their accounts to certain agencies because they liked the man who solicited them. Whether they knew him previously or not, he soon won their confidence and gave them the impression that he knew his stuff and that he was the kind of person with whom they would like to work. Other things being equal, people prefer to favor their friends. They throw all the business their way that they can.

Advertisers do the same thing. However, if they have no crony in the advertising line, they do the next best thing and that is to give their account to an agency representative who has a confidence-winning personality.

This method of selecting an agency has the same objection as the first method I described. It is based on an assumption. It is assumed that the agency is as good as its representative. This does not necessarily follow. A salesman, no matter how agreeable his personality nor how profound his advertising knowledge, cannot deliver satisfactory service unless he is backed by a competent, well-staffed agency.

Many an agency association, formed on this basis, has turned out to be short-lived. Hence today we find a tendency among advertisers to tell their advertising friends that they can have their accounts if they will locate with acceptable agencies, in those cases where the one they are with is not satisfactory. Experience is proving that friendship is a good way to get advertising accounts, but that it takes more than friendship to hold them.

Reciprocity: Just a Mirage

Number 3. Reciprocity is coming into the advertising agency business, as it has been doing in so many other fields. It takes several forms. Advertisers of such things as paper and media sometimes give their accounts to agencies, hoping that they will then be in prime position to get business from these agencies.

Even social climbers have been known to use an agency affiliation to attain their ambitions. In that way they figured they would become acquainted with the agency's distinguished clients and perhaps get invitations to their social functions.

However, most companies who expect to get reciprocal benefits from

their agency connection are planning on getting business from the agency's other clients. They imagine that an advertising agency is a sort of Rotary Club with all clients agreeing to scratch one another's back and to patronize one another as much as possible.

Rarely does an agency client cash in on any of these expectations. An advertiser who tried to sell his product to a prospect with the argument that they both use the same agency would not get past the doorman. As a matter of fact, few of the clients of an agency know one another. There is virtually no contact among them, except where they are affiliated in the same corporation.

No. 4: The Old Oil

Number 4. You're-a-Great-Guy-Mr.-Advertiser is an old solicitation that is used by agencies, and it is still effective in some instances. Vanity is the motive behind a few advertising campaigns. A company will advertise to outdo its competitors, to strut before its trade, or to parade its virtues before an admiring audience. The prospect with a protruding ego can often be induced to advertise by playing up to his vanity.

Prospects in this frame of mind often conceive unsound ideas for promoting their business. They call in an agency to put the idea across. The agent will point out the flaws in the proposed plan of advertising. Usually he is damned for his frankness. Another agent is summoned. This is kept up until some agent says, "That's the best advertising idea I ever heard." He gets the account.

Number 5. Speculative Plans: Submitting a speculative plan used to be a common method of soliciting an advertising account. Agencies competed on the basis of their plans. Often they went to great expense in getting up a plan, writing copy and preparing artwork.

Today most agencies frown on this method of getting business. Nevertheless, speculative plans are still employed to some extent, although the element of competition in this type of solicitation has been pretty well eliminated, as seldom does more than one agency submit a plan to a prospective advertiser.

Number 6. Entertainment and Lavish Presentations: Entertaining is not the factor in soliciting advertising accounts that it is in other lines of business. To be sure, entertaining is done and some of it on a pretty pretentious scale. However, experience has shown that on the whole costly entertaining

has proved the least effective method of getting accounts.

In recent years entertaining has given way to another type of extravagant solicitation. It is the spectacular presentation. This is stunt stuff, in which showmanship is often carried to absurd lengths. In some cases thousands of dollars have been put into a presentation. This method of selling is now in its heyday.

Usually presentations of this kind have a bad effect on the prospect. They give him the impression that agencies are extravagant, that they do not handle their clients' money economically and that the agency business must be very profitable to stand such expensive selling. Sometimes these presentations unsell the prospect on advertising altogether, giving him the idea that it is still in the Barnum stage.

Number 7. The split commission is still a potent means of getting advertising accounts. In one disguise or another, this method is probably used more than is realized. Nevertheless, its use has declined greatly and it is not employed by reputable agencies.

"Basic Idea," a Sound Method

Number 8. Offering a Basic Idea for Advertising: This is an old method of soliciting agency accounts, and it is one that is still extensively used. It differs materially from the speculative plan method, inasmuch as only an idea is submitted. No attempt is made to work the idea up to a production point, as is done when a speculative campaign is laid out.

The idea may be for a copy theme, or for art or layout. Or it may go deeper into the prospect's business. A new idea for his selling, for his sales promotion or even for his distribution system may be offered.

This is a sound and legitimate way to sell agency service. Many successful campaigns were initiated in this manner. However, in most cases, it is not a feasible method of getting advertisers started. The best advertising plans are not generated on curbstones. They come as a result of familiarity with an advertiser's business, and of a close study of its problems.

Number 9. Selecting an Agency Because It Is a Specialist: Some agencies have done outstanding jobs in certain fields, such as in advertising food, cosmetics, building materials, or industrial goods. Advertisers often select an agency because of its reputation in their own lines of business. By giving the account to an agency of this kind, the advertiser figures he will not have

(Continued on page 73)

Make Sales — Not Just Calls



Kaufmann-Fabry

I HEARD the other day of a salesman who plays a game with himself. It's really a device to administer self-discipline painlessly, and it struck me as being one of the most practical stunts I've ever known to be applied to salesmanship.

This man carries ten pennies in his left-hand vest pocket. Every time during the day when he has completed a really constructive sales call, he transfers one of these pennies to his right-hand pocket.

"If," says he, "at the end of the day, all of the pennies are in my *right pocket*, I go home satisfied that I've done a good day's work. If three, or four, or perhaps five of them are still in the left-hand pocket, I've fallen short of making what I've set for myself as a just quota of work for an eight-hour day. This may seem almost childish to some hard-boiled citizens, but I find it a continuous spur to systematic effort, and I'm always conscious of any tendency on my part to let down too often or too long. Experience tells me that such let-downs can occur almost without a man's knowing it, and that soon afterwards he pays the inevitable price in loss of business. It's my favorite game and I like it! It makes money for me!"

Too many of us have a tendency to confuse the making of mere *calls* with the making of *sales*. My definition of a constructive sales call is one which in some degree advances a salesman toward a sale. A constructive call accomplishes some step in the sales process. Only calls which do that are calls that count.

Anyone with two healthy legs can hop from prospect to prospect and ask, "Any orders today?" But it takes a salesman with an accurate understanding of the fundamental creative sales process to plan and execute calls so that each one represents a building operation.

Put some pennies in *your* left-hand pocket and challenge yourself to a show-down. Are you making just calls—or making sales?

BY
BRUCE CROWELL



Should You Hitch Your Business to a Star?

of Radio Artists gave a case of jitters to radio stations, agencies and advertisers by considering a strike for a proposed minimum wage scale of \$15 for each quarter-hour program plus \$6 an hour rehearsal time.

Among AFRA's 6,000 members are scores of people who have long earned much more than this. Eddie Cantor is president. Lawrence Tibbett and Jascha Heifetz are two of the vice-presidents. Some of the directors are Edwin Arnold, Phil Baker, Jack Benny, Edgar Bergen, Bing Crosby, Grace Moore, Dick Powell, Margaret Speaks, Rudy Vallee.

These stars have contracted to do certain things at certain times and places for certain sponsors. Manifestly, if they fail to do them, except in emergencies entirely beyond their control, they have broken their contracts.

This strike did not materialize, because the networks, functioning for the advertisers and agencies, met AFRA's demands. Things should be quiet on the radio artists' front until 1941. But the problem remains. They may find something besides wages-and-hours to strike about.

Although sponsors may be lenient, listeners may not be. Many people disapprove of unions and strikes. Even more dislike to have their regular entertainment interrupted. And during the course of the strike, certain stars might do things to bring them individual antipathy.

To be sure, the reverse also is true. Many people approve of unions and, on occasion, strikes. They would commend the stars for going to bat for the "little fellows."

An even greater number of people probably would not give a damn one way or another. They seldom do.

But from the *sponsors'* standpoint, the whole thing is a keg of dynamite. They want their stars to stay in character. They did not hire them to be crusaders. The personal opinion of stars, people like Walter Winchell and Boake Carter, for example, may antagonize part of the buying audience which is important to the advertiser. It is hard enough to get stars to click, regularly and generally, as entertainers, without getting themselves messed up in controversy.

But of course, controversy brings publicity. Plenty of it. But sometimes the wrong kind. And always tending to obscure the purpose of the star system—to sell merchandise. . . .

When Jack Benny is charged with smuggling, Eddie Cantor leads his union towards a nationwide strike, or Charles Lindbergh gets chummy with Nazis, more than the stars is involved.

The star system has become a big factor in big business.

Whatever the advantages of having a prominent and popular personification of one's products, the sponsor has erected, in the same process, an expensive target for people to shoot at.

And it isn't only the star who gets shot.

If the growing popularity of a star can increase sales of a product, may it not follow that the waning popularity of the star helps diminish sales?

Every booking office and most advertising agencies could tell you that stars are few and their stardom usually uncertain and brief. Why?

For many reasons. Because people are fickle. Because they get bored easily. Because they are easily prejudiced. Because so many of them try to appear to be on so many occasions so Godawful moral.

WITH a score of 534, out of a possible 980, Jack Benny won first place in the current annual poll of radio editors and critics conducted by *Radio Daily*. Edgar Bergen ("Charlie McCarthy"), Bing Crosby and Fred Allen followed.

For five years, in a wide variety of popularity polls, Mr. Benny has ranked at or near the top. His sponsor, General Foods Corp., could tell you that he and his Sunday night show have made the "six delicious flavors" of Jell-O outstanding in sales among its products. His current contract, at a reported \$10,000 a week, runs through 1940.

The "star" system of promotion, so well exemplified by Mr. Benny, has helped General Foods build big sales volumes. Mr. Benny should be quite happy about it. So should GF.

But, in recent weeks, neither of them has been.

On information from one Albert N. Chaperau, Mr. Benny was indicted in Federal Court at New York, January 10, on a smuggling charge. If this be a crime, and Mr. Benny be convicted of it, he would become a felon. He would be deprived of citizenship.

Even if he is found innocent, the publicity attending his case might bring Mr. Benny down a bit in the stellar firmament. General Foods might find that its star salesman, after all these years, symbolized among the six delicious flavors only raspberry, lemon and lime . . .

A month ago American Federation

Suppose a star says or does anything indiscreet. Many people will take his mistake as a personal insult. We Americans, of Pemberton, Paducah and Pensacola, still believe in a hard-boiled righteous God. We believe (as though God and the courts could not take care of the matter) that we must take a hand in the trial and punishment. Moreover, with us, even the suspicion of a slip is enough. We don't need to wait for the facts. For although we love and admire loyally for a time, we envy too. And in a quiet sort of way, we are experts at the dissemination of dirt, fancied or real.

In addition, when we stop to consider the matter there are a lot of different kinds of people we don't like. Let investigation and negative publicity start to lay bare a star's life and ancestors, and we find we are Anti-Rich or Anti-Poor, Anti-Republican or Anti-Democratic, Anti-Catholic or Anti-Protestant, Anti-German or Anti-Jewish, Anti-New York or Anti-Hollywood. We start wondering, therefore, why we ever happened to like that kind of a guy . . .

Big Bosses: The First "Stars"

Successful small businesses usually are those which reflect the personal contact, the personal friendship of owner and customers. Unable to develop this personal relationship directly, big business created stars to help express corporate "personality."

The star-system was born, however, a quarter century ago, with big businessmen themselves doing the shining. Mr. Rockefeller began giving dimes and colleges, Mr. Carnegie libraries and Mr. Ford good advice and higher minimum wages. Many a gallant though gouty Boy Scout stepped forward to do his good turn, in the public prints, every day.

But all this took a lot of valuable time. Too, sometimes Mr. Big wasn't the type, or he said or did the wrong thing. So advertising agents and public relations specialists were brought in to render the approach both stimulating and discreet and to help systematize the whole effort.

It was found easier to tie the organization and product to a person already popular than to create popularity.

People, for instance, had become interested in certain movie and stage stars, members of royalty and society, in some athletes, explorers and aviators, and, more recently, in a group of quintuplets. So business rushed forward to get their weight behind the products.

The trouble was that a lot of

businesses had the same idea, all at once. Competition for "names" became keen and costly. And when the public began to discover that they had been paid (and that even then often they did not use the product), the testimonial trend slowed down.

On occasion, even when a star did use a product, people rebelled at the "association" of the two . . . Ernestine Schumann-Heink was a popular old lady. With its eye on the then big new women's market for cigarettes, Lucky Strike ran her alleged endorsement. Whether Mme. Schumann-Heink used the product did not matter. The storm rose throughout the hinterland because she, of all people, should endorse them.

Even so—notably in cigarettes—testimonials have continued important. Old Gold finally gave them up, after a costly name-buying war with Lucky Strike. Lucky switched to endorsements of "men who know tobacco best." Camel concerns itself today with the "lift" which more or less everyday people get. But the trend goes on, behind the sale of 160,000,000,000 cigarettes a year. Even Chesterfield finally succumbed, this year, to the extent of using indirect testimonials on a "happy combination" theme.

Philip Morris, whose sales rose in six years from almost naught to 9,000,000,000, in fact has hitched all on a single personality—Johnny Morris. Here the company "created" the personality and made him a living trade-mark. Product and personality are inseparable. There is no question

So long as a star is riding high in the esteem of the adoring public, a business can often bask profitably in the reflected glory. But stars sometimes fall, and, when they do, the disastrous publicity which ensues can create a business headache twenty public relations counsellors can't easily cure.

BY
LAWRENCE M.
HUGHES

of what Johnny is selling, no possibility that a competitor might steal him.

Living trade-marks, however, have obvious disadvantages. The hitching is complete and permanent. Product and personality survive or perish together.

Schenley met this difficulty by making a family—the Wilken Family—a living trade-mark. When the elder Harry Wilken died, there was a younger Harry, also a distiller, to carry on. And if young Harry should pass out, his brother and brother-in-law would still constitute a "family."

Recognizing the uncertainties in living human trade-marks, some corporations use animals instead. Animals are just as friendly. They are less liable to break into unfavorable headlines. And when they die they can be replaced without anyone knowing.

Victor and RCA Victor have had "Nipper" and "His Master's Voice" for more than a generation. If the company wanted to "animate" him and send him out on the road, there must be a hundred black-and-white duplicates roaming around Camden.

Animals Are "Nice, But . . ."

The original "Leo," who still roars loudly for M-G-M pictures, must have gone to his reward some time ago. But there are enough lions in Hollywood to carry on. Except that some are male and some female, some old and some young, the public cannot tell one lion from another.

A difficulty with animals, however, is that their bag of tricks is small. When they do not actually bore, they are simply taken for granted. "Ches-sie," the C. & O. cat, had to acquire a family (by a traveling feline salesman name "Peake") to restore some public interest.

This was no sin, for a cat.

At least we can tell Mr. Benny from Mr. Allen. And as long as they have a new trick or two to spring every week, we permit them to entertain us.

With network radio, business established a more consistent and widespread stellar-system. "Endorsements," actual or implied, were not so promiscuous. The Great Lover or Comedian went to work for one soap or cereal or cigarette every week, under contract to one sponsor. Theoretically, he had to be good. Twenty-six, 52 weeks a year, he was plugging the same product at Lord knows how many million firesides. The sponsor could use him and his gang for various tie-ups. He could send them around the map for demonstration or good will.

But although corporations may be cold and soulless, individuals—even

stars—also have their shortcomings. Corporate movements to some degree may be predicted and controlled. But even five or ten grand a week can't keep a star entirely above the plane of human frailty.

Comedians have been known to make ill-timed wise-cracks. Tragedians, off stage, have flown off the handle. Great Lovers sometimes have loved out of turn. . .

Even if the star is so superhuman that he never bursts into silly or scandalous headlines, he may go stale, get sick, or die.

And always, at the end of the contract, he may switch to another sponsor.

Any of these eventualities does the sponsor no good in the stores or on the stock exchanges.

Even when physically well and morally good, very few stars remain promotionally so.

Hitch Is Not Often Strong

There are scores of network stars, but I think the average person (excluding children and invalids who live by the radio) cannot remember more than a half dozen in correct, close and favorable association with products.

There are Benny-Jell-O, McCarthy-Chase & Sanborn, Allen-Ipana, Bowes-Chrysler, and Vallee-Fleischmann. Can you name any others? Maybe Irene Rich and Welch's grape juice.

This does not mean that other stars are not popular or that other star-promoted products are slipping. It simply means that a strong, nationally-effective *hitch* between them hasn't been tied.

Some stars have roamed too much. In recent years Eddie Cantor has been, respectively, with Old Gold cigarettes, Sunkist oranges, Chase & Sanborn coffee, Pebeco toothpaste, Texaco gasoline and, currently, Camel cigarettes. Burns & Allen have switched from White Owl cigars to Campbell soup to Grape-Nuts cereal to Chesterfield cigarettes.

Some stars either failed to click or were not consistently developed. Jack Pearl for Lucky Strike and Ed Wynn for Texaco are gone and forgotten now. . . . Which cereal did Robert L. Ripley promote last Summer?

Some are too new, in their current association, to be recognized. . . . Which food product and which petroleum product have Phil Baker and Walter O'Keefe, respectively, begun to promote?

Now and then, in contrast, a product or business is at the mercy of a dominating star personality. Lindbergh and the Dionnes probably will always be better known than any product associated with them.

It is too early yet to tell whether all the Dionnes will survive and all remain good little girls, and thus continue to be desirable to the makers of Karo syrup, Palmolive soap and Lysol antiseptic. But Lindbergh has created enough "feeling," one way and another, to make him no longer a promotional asset to companies which once went to great trouble to get him.

After ten years, TWA has stopped using the slogan, "The Lindbergh Line." Col. Lindbergh is no longer in America. He is also reputed to be pro-Nazi. He is still "technical advisor" to Pan American Airways, but they have never promoted the fact.

Should you hitch your business to a star?

Businesses which have not already done so might wait until after AFRA has settled down . . . after Benny has been tried . . . after Chaperau (as he threatens) has revealed the names of the "30 prominent people" to whom he has supplied smuggled jewels.

Business executives know enough now to realize that the star-system, oftener than not, is full of more headaches than sales.

The fault has been not so much with the stars as with the businesses which hired them. Businesses have let individual stars predominantly run the show, and then have been surprised

and pained when the stars ran amok. They have hired brilliant quarterbacks under the impression that this was all a football team needed.

The businesses, those that have succeeded, are those which have made stars—whatever their magnitude—part of a *program*.

Every few days in newspapers, every month in magazines, Camel cigarette dramatizes the exploits of several stars. Each exploit is good reading on its own. But when you get through with each and all of them, it is only *Camel* that sticks in your memory.

"Charlie McCarthy" of the Chase & Sanborn hour is popular. He draws a bigger audience than anyone else. But he is still only part of a *program*. Don Ameche, Nelson Eddy, Dorothy Lamour, Robert Armbruster and other regular and guest players also are important. When one of these is missing, the show still goes on. Even without "Charlie" it would still go on, and probably continue to attract millions of people. Because, after all, it's not "Charlie's," but *Chase & Sanborn's show*.

The answer to the title of this story is largely to put the title in reverse. Don't hitch your business to a star. Hitch a star to your business—and then only as a part of your business and its promotional program.

Advertising Campaigns

[Old and New Products as Promoted in Newspapers, Magazines, Radio, Trade Journals and Dealer Helps]

Moths by Larvex

Larvex division of Zonite Products Corp., N. Y., declares war on moths with an increased magazine schedule through the Spring. Higher income families will be told how to prevent moth damage by copy in:

American Home, Better Homes & Gardens, Good Housekeeping, Holland's, Household, Ladies' Home Journal, McCall's, Home Arts Needlecraft, Woman's Home Companion, Vogue, Harper's Bazaar, Esquire, New Yorker, Christian Science Monitor. McCann-Erickson, N. Y., is the agency.

A window display reproduces characters from a Walt Disney "Silly Symphony" cartoon, "The Moth and the Flame." Another display, for store counters, holds a transparent dish containing live moth worms. The bottom of the dish is covered with two strips of woolen cloth, one strip Larvexed, the other untreated. Customers may watch the moth worms nibbling a snack on the untreated

strip and leaving the Larvexed wool strictly alone.

Larvex salesmen replace wornout worms with vigorous youngsters from time to time. Worms come from a laboratory which the company maintains in New Brunswick, N. J., where moths from all parts of the U. S. are tenderly reared, experimented with, and driven frantic by Barmecide feasts of Larvex.

The Good Word

John F. Trommer, Inc., Brooklyn brewery, has released the "largest appropriation in company history" for newspaper space in some 100 cities along the Atlantic seaboard.

"What's the good word? In beer it's *Malt*" is the introductory copy theme leading up to "the All-Malt brewing story." In Connecticut, and some other localities where ale is the preferred tipple, ale instead of beer will be highlighted.

Outdoor ads, store and window

displays, direct mail supplement, according to Federal agency, N. Y., in charge.

Profits and Prophets

Largest ad schedule ever to be run by Van Camp Sea Food Co., Terminal Island, Cal., has broken in 124 newspapers and a string of magazines. "White Star" and "Chicken of the Sea" tuna fish are the products.

More than 60,000,000 newspaper ads, four-color, roto, and b. & w., and 47,000,000 color ads in such magazines as *The American Weekly*, *Sunset*, *Better Homes & Gardens*, *Good Housekeeping*, *Ladies' Home Journal*, *Woman's Home Companion*, *Parents*, *McCall's*, will appear.

Dealers will learn about the blast, and also about a new Chicken of the Sea grated tuna, from a movie, "The Prophet of Profits." Grocers will have profits and prophets dinned into their ears by company salesmen and brokers.

Emil Brisacher and Staff, San Francisco, is the agency, as it has been for the past 18 years.

Pepsodent Flood

"Greatest advertising campaign" in Pepsodent Co. (Chicago) history is under way. "By the end of 1939 over 1,000,000,000 advertising messages will have flooded the homes of America," according to agents Lord & Thomas.

A list of magazines as long as your arm, trade journals, newspapers, and two programs on NBC's Red network will compose the tidal wave in the interests of Pepsodent toothpaste, anti-septic, and tooth powder.

Wave Season

Sales Affiliates, Inc., N. Y., will stage the "most extensive campaign ever" on behalf of Zotos machineless permanent wave from March 26 to June 11. Papers of over 180 cities, c-to-c, will carry copy, with additional tie-in space by local beauty shops.

Last year more than 1,100 shops hooked on to a similar series. With coiffures now demanding permanent waving, and the ads set for the "height of the wave season," Zotos anticipates even more co-op copy.

Grey Advertising Agency, N. Y., is in charge.

Biggest Pontiac

"Sales of Pontiac Motors have been 64% ahead of last year during January," says F. A. Berend, ad mgr., "and we look forward to big Spring business."

To push down the gas pedal harder,

Pontiac division of General Motors releases the "largest ad campaign in years" for March, April, May. Some 1,500 newspapers of over 1,000 cities, plentiful magazine space, and 5,000 billboards will repeat that "Pontiac is the Second Lowest Priced Car Built by GM."

MacManus, John & Adams, Detroit, is the agency.

Bustline Charm

IN THREE WIDTHS...
ONE IS EXACTLY YOURS!

Spiral
A GLAMOUR
CREATION
BY
Formfit

\$1.00 to \$3.50

MADE BY THE FORMFIT COMPANY • CHICAGO • NEW YORK

"Deftly," "prettily," "importantly" . . . but "separated."

Oh! So Prettily

Formfit Co., Chicago, is talking about "glamour" and "pagan charm," imparted by its Spiral brassiere and corsets, in 71 big town newspapers, and *Harper's Bazaar*, *New Yorker*, *Mademoiselle*, *Photoplay*, *Vogue*, *Woman's Home Companion*. Roto will be used in 38 of the papers.

Copy, by L. D. Wertheimer agency, Chicago, on the Spiral Bra is restrained, well somewhat restrained. Sample:

"This unique pattern of spiral bands cleverly transforms the breasts into a new, more shapely loveliness—and gives them a poised carriage they have never had before! Lifts them proudly high—separates them oh! so prettily—forms them with a beautifully rising curve on top and moulds them into fashion-right fullness around and below. Yes, YOUR bustline can have this charm."

"Pagan Charm Girdleiere, created in collaboration with Madame Schiaparelli," "Skippies," for "slight figures seeking glamour," and "Formfit's exciting new girdle Panel-Art" all mention "breasts proudly high, importantly separated." (When are they unimportantly separated?)

Retail salespeople are being drilled to put across the three reasons which Walter H. Lowy, v.-p. in charge of sales promotion, declares are the basic motives for fine and fashionable garments: To create attention and admiration from the opposite sex; to create envy among members of the same sex; adornment and the personal satisfaction that goes with it. Saleswomen will deftly suggest sex by harping on lure and glamour.

Buy \$1,000

More than 800 inquiries were drawn in the first week by a campaign for a new "Buy \$1,000 Plan" of the 36 Mutual Savings Banks of Brooklyn, Queens, Long Island, and Staten Island. Starting with 500-line space in the N. Y. *Herald Tribune* and *Journal-American*, the Plan will be publicized in N. Y. papers for the rest of 1939.

Depositors may "buy \$1,000" by paying \$8.34 a month for ten years or other amounts for shorter terms. Backing the newspaper space are follow-up letters to inquirers, window displays and counter cards for member banks, and for stores in the neighborhood of each bank.

Agency: J. Walter Thompson, N. Y.

Beer and Taxes

United Brewers Industrial Foundation, N. Y., is using *Life*, *Liberty*, *Collier's* and 2,500 small town newspapers to point out that "The entire cost of the C. C. C. could be paid for by the taxes of the brewing industry."

Copy goes on, "You may or may not drink beer. But see how the brewing industry helps you: Are you a taxpayer? Brewing contributes over \$400,000,000 a year in taxes to lighten the burden on you. Are you a worker? Beer creates over 1,000,000 jobs. Are you a farmer? Beer has made a market for the produce of 3,000,000 farm acres."

Strict local self-regulation of law-violating beer outlets is pledged by the Foundation, which asks public co-operation. Newell-Emmett, N. Y., is the agency.

Friends Bread

"Friends Student Radio Club" over Station WAAB, Boston, has been pulling like the well known two-horse team for Friends Brothers, Lynn, Mass., bakers. Started last August as the firm's first and only advertising, the broadcasts have pulled from 4,000 to 17,000 wrappers a week.

The air club is built around 36 clubs in high, junior high, and parochial schools of north Boston suburbs.

(Continued on page 50)

Housewives Increase Neighborhood Shopping as Against Big Downtown Stores

Survey made for SM in Philadelphia by Ross Federal shows balance still favoring downtown stores but by slight margin; growth of suburban areas and traffic problems make neighborhood stores increasingly important in all big cities.

DOWNTOWN stores are preferred today by Philadelphia housewives over community shopping centers for the purchase of other than day-to-day consumption items, but the trend seems definitely toward the neighborhood stores. Downtown stores are making 55% of the sales today, but it will be no surprise if the balance swings in the other direction by a year from now. Similar reports come from other cities.

The most recent purchases of 19 items made by 1,000 Philadelphia women* were checked by Ross Federal interviewers working on this SALES MANAGEMENT assignment. Some 7,386 purchases were analyzed.

Neighborhood stores had a favorable balance in the purchases of cooking utensils, cosmetics and perfumes, hosiery, vacuum cleaners and writing materials. The balance was fairly even on small electric appliances, re-

This is the 13th in a series of surveys made for SM by Ross Federal Research Corp. and interpreted by Philip Salisbury, Executive Editor.

Ewing Galloway



* Interviews were divided as follows:
Over \$3,500 income families..... 10%
\$2,500-\$3,500 30%
\$1,000-\$2,500 30%
Under \$1,000 30%

frigerators, radios and toys. (See tables for list of articles surveyed.)

There are several reasons for the shift away from downtown stores. In

the first place there is in most large cities a drift toward the suburbs, and to an increasingly large number of people downtown shopping is inconvenient.

Most of these suburbanites are car owners, and they become so wedded to this form of transportation that they dislike taking trains, buses or trolleys downtown. There is such a congestion of traffic in downtown areas, and parking is such a headache, that Mrs. Average Housewife dreads the trip, and prefers the neighborhood store if there isn't too great a differential in price or variety.

In Philadelphia home areas the housewives were asked, "when you go downtown to shop, do you usually go by trolley, bus, or private car?" A number mentioned two methods, and the percentages, therefore, add to 114.1:

Trolley	73.3%
Bus	25.5%
Private car	13.7%
No answer	1.3%
Refused information .....	.3%

Where Does Today's Housewife Do Her Shopping?

(Based on 7,386 purchases by Philadelphia women of the 19 items shown in table at top of page 28)

	Downtown		Community Shopping Center		Number of Purchases at Each Store	
	No.	%	No.	%	No.	%
Department Store.....	2,929	78.1	820	21.9	3,749	100.0
Drug Store.....	99	13.0	682	87.0	761	100.0
Specialty Shop.....	822	39.7	1,247	60.3	2,069	100.0
5 and 10c Store.....	108	24.1	340	75.9	448	100.0
Sears or Montgomery Ward	16	20.4	62	79.5	78	100.0
Direct from Manufacturer.....	23	47.9	25	52.1	48	100.0
Other.....	42	18.0	191	82.0	233	100.0
Total.....	4,039	54.7	3,347	45.3	7,386	100.0

Analysis of the 7,386 purchases shows this division by type of store and kind of shopping neighborhood.



THE BUSINESS CARD THAT GOES STRAIGHT TO YOUR PROSPECTS

Long Distance is a good will passport to prospects. Sales managers use it systematically for many reasons—to secure and transmit essential information, to solicit direct, to notify customers of price changes, to adjust complaints, and to route salesmen about the map.



Stores and Shopping Districts Preferred by Philadelphia Housewives

(1,000 Housewives Interviewed February 6-10, 1939, on Their "Recent" Purchases of the Following Items)

ARTICLE	DOWNTOWN PURCHASES										COMMUNITY SHOPPING CENTER PURCHASES									
	No. of Purchases	Buy Here Regularly		Dept. Store	Drug Store	Specialty Shop	5 and 10	Sears, Roebuck or Wards	Direct from Mfr.	Others	No. of Purchases	Buy Here Regularly		Dept. Store	Drug Store	Specialty Shop	5 and 10	Sears, Roebuck or Wards	Direct from Mfr.	Others
		Yes	No									Yes	No							
Artificial Flowers	83	60	23	44	.....	3	35	1	.....	.....	34	27	7	1	1	5	24	.....	.....	3
Books	152	116	36	89	3	49	9	.....	.....	2	87	75	12	3	29	13	14	.....	5	23
Cameras	42	9	33	16	1	23	.....	.....	.....	2	14	5	9	1	6	6	.....	.....	1	1
Cooking Utensils, Knives, etc.	102	80	22	87	1	7	5	.....	.....	2	140	111	29	3	.....	110	14	3	.....	10
Cosmetics, Perfumes	310	261	49	226	55	14	15	.....	.....	.....	501	468	33	10	360	13	89	1	1	27
Small Electric Appliances	94	41	53	41	6	35	.....	.....	4	8	74	31	43	10	12	34	1	3	3	11
Furniture	109	48	61	67	.....	34	.....	1	5	2	47	17	30	16	.....	26	.....	2	1	2
Ladies' Clothing	590	514	76	471	3	112	.....	1	1	2	348	312	36	180	.....	158	.....	6	.....	4
Ladies' Hosiery	442	409	33	339	3	94	.....	1	2	3	538	498	40	155	.....	359	2	6	.....	16
Ladies' Purses, Gloves	537	497	40	481	3	51	.....	1	1	.....	305	272	33	154	.....	144	.....	4	.....	3
Ladies' Shoes	621	567	54	399	.....	221	.....	1	.....	.....	343	309	34	171	.....	167	1	4	.....	.....
Lamps	123	80	43	93	.....	26	.....	2	2	45	28	17	12	.....	19	2	3	2	7	
Mechanical Refrigerator	34	3	31	10	.....	14	.....	3	1	8	26	4	22	8	.....	6	.....	8	1	3
Personal Accessories	194	142	52	161	6	25	.....	.....	6	72	51	21	16	15	.....	34	.....	7	.....	7
Radio	67	13	54	29	.....	30	.....	2	2	4	67	9	58	14	1	40	2	4	4	2
Sporting Goods	114	92	22	70	.....	42	.....	1	1	.....	36	24	12	11	.....	18	.....	7	.....	19
Toys	212	158	54	162	2	8	17	2	.....	1	149	123	26	45	2	43	35	5	.....	11
Vacuum Cleaner	22	3	19	10	.....	5	.....	3	1	3	42	2	40	5	.....	14	.....	4	8	42
Writing Materials	191	162	29	114	16	29	27	.....	3	2	479	446	33	5	236	38	156	2	.....	42

Another source of irritation against downtown department stores is that stocks are incomplete. One woman, after trying a half-dozen big stores for crockery, draperies and furniture, only to be told, "we can get this for you in about ten days," threw up her hands in disgust and said, "these stores are just like a Sears, Roebuck catalog, only not nearly so interesting or convenient, because you can order from the catalog without leaving your living room."

This low-inventory situation may be only a current phenomenon, brought about by last year's recession and a determination by store executives to enter the new year without big stocks.

But unless they quickly build up their stocks and offer both variety and prompt service, the trend toward neighborhood stores will be intensified, and they will have no "whipping boy" to blame.

Department store executives in Philadelphia are aware of the danger, and several have opened branch stores to compete for suburban trade with local independents and the branches of national or sectional chains and mail order houses. SALES MANAGEMENT's Philadelphia field editor makes this summary of the situation:

"Philadelphia is a large, sprawling city with lots of suburbs at various ends of it, and a great many of the

downtown stores also have branches in different parts of the city and suburbs. This is true of smaller establishments, such as Geuting's shoe store, a rug store, and similar specialty stores, as well as of big department stores, such as Strawbridge & Clothier, which in the past few years has built new suburban stores in both Jenkintown and Ardmore. Lit Bros. is also rumored to have purchased a suburban site to build a branch store.

"Downtown beauty shops are always howling about the so-called neighborhood shops 'stealing' their business; that women far from the center of town don't come into town to shop or have their hair done as much as they used to. Over the past year the city sales tax was much discussed as 'driving business away from the city' to smaller shops and establishments that are in suburbs but in a different county

(Continued on page 50)

Is Mrs. Housewife Loyal to Her Sources of Supply?

	Regular		Irregular		Number of Purchases at Each Store	
	No.	%	No.	%	No.	%
Department Store	3,206	85.5	543	14.5	3,749	100.0
Drug Store	668	87.8	93	12.2	761	100.0
Specialty Shop	1,598	77.2	471	22.8	2,069	100.0
5 and 10c Store	386	86.2	62	13.8	448	100.0
Sears or Montgomery Ward	43	55.1	35	44.9	78	100.0
Direct from Manufacturer	24	50.0	24	50.0	48	100.0
Other	142	60.9	91	39.1	233	100.0
Total	6,067	82.1	1,319	17.9	7,386	100.0

Housewives were asked in connection with each "recent" purchase whether they bought the article at this store regularly. The answers, by store types (and without regard to location of store), are shown above.



SAVED \$192,000,000 IN STEAKS

* Oklahoma stockmen sent out an SOS back in 1931. Money was tight. Bankers went to their loan cases. Livestock loans appeared to be the most liquid of all. They began calling these loans . . . and a \$192,000,000 Southwestern industry faced destruction.

It was The Farmer-Stockman that answered this SOS. Editor Roberts saw the way out. He moved the power and organization of The Farmer-Stockman in behind the Oklahoma stock raisers. Cash loans of \$5,000, another \$5,000 and still another \$5,000 were advanced to set in motion and finally to complete a farmer-controlled livestock marketing and credit set-up. Five years later this agency

had loaned more than \$13,000,000 to members . . . had accumulated a reserve of \$90,000.

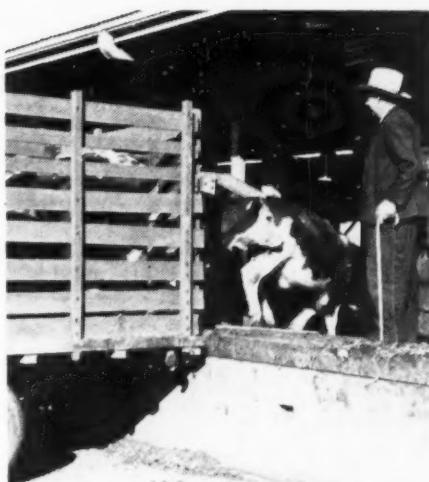
The result? Today the largest commission firm on the Oklahoma City yards and the only distinctive livestock credit agency in the state are owned outright by Oklahoma livestock producers. They stand as a definite monument to the close relationship that has existed for thirty years between the Southwest's most influential farm paper and its stockmen . . . illustrate most expressively the manner in which The Farmer-Stockman applies its men, methods and machinery to the solution of the Southwest's agricultural problems.

The FARMER - STOCKMAN

OKLAHOMA CITY, OKLAHOMA

THE OKLAHOMA PUBLISHING CO. • THE OKLAHOMAN AND TIMES • MISTLETOE EXPRESS • WKY, OKLAHOMA CITY
KVOR, COLORADO SPRINGS • KLZ, DENVER (Affiliated Management) • REPRESENTED BY THE KATZ AGENCY, INC.

MARCH 1, 1939



TWO LEADING U. S. PACKERS maintain plants in the Oklahoma City yards. Southwestern farmers truck more than 150,000 loads of cattle, calves, hogs and sheep to these yards annually. They ship another 3,000 cars by rail. These farmers represent the audience of The Farmer-Stockman most interested in its editorial program of more efficient feeding practices.

Ho, hum! Spring fever is in the air. The salesmen are dreamy. Their batteries need recharging. A well promoted contest, full of action, fun and fight will stimulate them to renewed activity. Here are whole flocks of ideas, gathered by Sales Management field men from coast to coast.

Tonic for the Jaded Sales Force: The Ever Popular Sales Contest

Simple Plan for Earning Credits Makes Todd Contest Click

COMPANY SPONSOR: *Todd Co., Rochester, N. Y.*

TYPE OF CONTEST: "Give Yourself a Present" Christmas campaign.

FOR: The nation-wide Todd sales organization.

SALES PROBLEM: To provide extra incentive for salesmen to close 1938 with smashed sales records.

The contest which the Todd Co., manufacturers of protective check writing devices, sponsored at the end of last year to encourage its salesmen to make a last-minute drive for extra sales, turned out to be one of the most successful the company has ever conducted. The success Todd attributes chiefly to the simplicity of computing credit points for the contest in a way which enabled any salesman at any time to figure out how close he was to winning his selected merchandise prize.

It was a "free-for-all, all-kinds-of-business" contest in which credits were awarded on the basis of total sales volume, regardless of products sold (Todd manufactures a number of related products, including check signers, check writers, checks, etc.), rather than on sales of specific products.

"Thus," explained F. D. Scandling, Todd manager of advertising and sales promotion, "the many errors that are inevitable when varying credits are awarded for the sale of specific products were avoided. In addition, the necessary bookkeeping was reduced to a minimum, and there were few instances in which the salesman's idea of what he had coming and our own records failed to jibe. You will realize that this is a very desirable state

of affairs because, in conducting a contest for a sales force which numbers well over 400, errors in the computation of credits and explanations as to why salesmen's figures are wrong can be unpleasant and time-consuming deterrents to the success of a contest."

On October 17 the announcement went out from company headquarters that there were 46 working days in which to "win yourself the Christmas present that no one else ever thinks to buy you! Be Santa Claus, too, in a big way! Toys for the youngster and the best-o'-the-best for your wife, mother or girl friend." As a note of encouragement, the announcement added that "the best months of 1938 are still ahead. Business is on the upgrade and all signs point to better times." Thus, the big Christmas campaign was officially on. The men had in their hands the prize catalog, which listed such diversified items as fishing, hunting and other sports equipment; furni-

ture; electrical appliances; drink sets; watches; clothing; luggage; dolls and other toys for the children, etc. All they had to do was work "like mad" to meet or break quotas during the next eight weeks.

As with all Todd contests, quotas for the "Give Yourself a Present" campaign were based on the company's Legion of Honor Plan, which offers awards for outstanding sales performance throughout the year. According to the plan, the year is divided into periods and weekly quotas set for each period for every man on the force. The tenth period (of the year) Legion of Honor weekly quotas governed eligibility for prizes in this drive.

Here are the other rules of the contest:

Each week every contestant making 100% of quota or more will receive a weekly prize of 200 catalog points.

Weekly quota-making contestants may select catalog prizes each week, or accumulate weekly points toward a prize selection at the end of the contest.

Salesmen making 100% or more of entire contest quota will be allowed one catalog point for every dollar of business up to amount of quota; two catalog points will be granted for every dollar's worth of business over quota.

Zone managers will receive 200 catalog points each week their office makes quota. A zone manager whose office equals or exceeds entire contest quota will be awarded three catalog points for every \$10 of business reported during the contest.

Zone managers will receive 3,000 catalog points independent of weekly prizes if their office makes or exceeds 100% of entire contest quota.

The highest salesman in any zone in percentage of entire contest quota, regardless of quota classifications, will be awarded 1,250 points.

The 35 Todd zone offices were divided into five groups, each group under the sponsorship of a department head at home office. For instance, Mr. Scandling, head of the advertising department, was in charge of the group of zone offices, including Birmingham, Dallas, New Orleans, Oklahoma City,



The losers' sponsor takes his punishment.



Fare at President Todd's dinner to the five home-office sponsors of the "Give Yourself a Present" contest ranged from caviar for the sponsor of the most successful group of zone offices to bread and milk for the guardian of the also-rans. What appears to be a liqueur glass in front of The Man in the Dog House is doubtless an optical illusion.

St. Louis, Minneapolis, Portland and Spokane; Vice-President A. R. Todd had in his group Akron, Albany, Boston, Charlotte, Hartford, Los Angeles, San Francisco; etc. Each sponsor was given the responsibility of keeping up the enthusiasm of his own group of offices.

Promotion material throughout the contest carried a Christmas flavor. The cover of the prize catalog, for example, was illustrated with the beaming countenance of Santa Claus, printed in red and green. All correspondence between the main office and zone offices went out on specially designed letterheads, also printed in Christmas colors and carrying a cartoon of Santa giving a Todd salesman a Christmas present. Additional ballyhoo material was mailed out from time to time, admonishing them to "fight for their sponsors." This material was usually in the form of "inspirational" articles, titled variously "Who Says There's No Santa?" "Put a Sock in Your Selling to Fill Your Sock," and "Three Wise Men of the Orient." This last was the

story of three wise men from Orient, Iowa. Quote: "They didn't stay there, needless to say. They're big-time Todd salesmen now and each of them has developed a sure-fire way to sell Todd protection and win a swell Christmas gift for the folks back home." Then followed details of how the men, Bill, Jack and Bob, were selling Todd equipment, and piling up credits to cash in for Christmas presents.

The company's weekly house organ, "Todd Sales Bulletin," carried reports of the progress of the contest, and Todd devised a novel method of announcing the highest and lowest group each week. First they built a plywood "high man" and the façade of a dog house. Life-sized photographs of the five contest sponsors were made each week and the face of the leading director surmounted the high man figure, while the gloomy features of the low man peered from the dog house. These were reproduced each week in the "Bulletin" along with contest reports.

As further incentive for the men to

work and make their sponsors proud directors of the winning groups, Walter Todd, president of the company, offered a dinner party to the five sponsors "in appreciation of their efforts during the contest." His proposition was that the sponsor whose group of offices showed the greatest dollar volume during the eight weeks of the contest was to be the guest of honor at this dinner and to have the privilege of ordering anything he wanted to eat, regardless of the difficulty that might be encountered in obtaining the exotic viand. He could have birds' nest soup, if he wished, champagne and caviar of the finest. The second, third and fourth sponsors, respectively, were to dine on food of rapidly diminishing excellence, while the occupant of the dog house, whose offices had let him down, could feast only on bread and milk.

Conditions of the dinner were adhered to exactly, "but," concluded Mr. Scandling, "everybody had a good time."

Contests Are Antidote for That Old Mid-Summer Lassitude

COMPANY SPONSOR: Cleaners' Equipment Division, *Butler Manufacturing Co.*, Kansas City, Mo.

TYPE OF CONTEST: Special rewards to stimulate activity during the dull season.

FOR: Manufacturer's industrial salesmen.

SALES PROBLEM: To combat the Summer slump.

To the problem of a Summer sales slump the cleaners' equipment division of the Butler Manufacturing Co. has found a sales contest the solution.

July, August and September have always formed an off season in the cleaning equipment field, which Butler supplies with pressure filters, gasoline distills, and dry cleaning washers, extractors and tumblers. But before the depression the annual sales volume was so satisfactory the company did not feel the need of building up the Summer business.

Remedy for Broken Morale

With depression and resultant declining sales, the down stroke of the volume graph during seasonal slumps was aggravated for both company and salesmen. Morale of salesmen was affected as well as volume and profits, and the company lost a few men as a result—to competitors and to other lines. Although Butler's sales are large units running to several hundred dollars and therefore are not made nor expected daily, its salesmen are like all salesmen. When they go a week or two without getting an order, they start thinking they can't do the job.

To increase Summer sales and to build up selling momentum for Fall, J. S. Henderson, sales manager of the division, H. B. Blake, assistant sales manager, and other executives of the division devised a sales contest which has been used three successive years with excellent results.

Basically the Butler promotion is a straightforward offer to salesmen of an exceptional reward for exceptional results. However, the company covers a large territory, and the market is not the same for all salesmen. The contest had to function in a way that was fair both to the salesman in the East, where buyers purchase large units, but where the number of units is small; and to the salesman in the South and West, where cleaning establishments are smaller and more numerous. The Butler contest, has therefore, two sets of prizes, one for dollar totals and the other for unit sales. No one can

qualify for two prizes.

Several prizes are offered in order to stimulate the average salesman. While the best producers naturally respond satisfactorily to most stimuli, the average man will leave one grand prize to the competition of the three or four top representatives. With several awards, all will work.

In 1936 prizes consisted of eight money awards, two sets of \$100, \$75, \$50, and \$25. In 1937, the division issued a catalog of prizes, each of which "sold" for a certain number of credit points. In 1938 grand prizes were watches, two first prizes and two second in addition to bonuses as outlined below.

The contest runs for one quarter, and—in addition to prizes—salesmen are paid a bonus for each month they report sales above quota, plus another bonus if they exceed the quarterly quota. The bonus, 1 1/2% on all sales over quota, is paid when earned in order to give the men immediate and tangible results for extra effort.

"Quotas are set to fit the individual man and the territory. Monthly quotas are assigned to each salesman at the beginning of the year as a part of the division's basic sales plan," Mr. Blake pointed out. "When we come to the sales contest period, however, these quotas are disregarded, and a special contest quota determined. In arriving at the contest quota we consider current sales factors. If the salesman is doing exceptionally well—perhaps conditions in his territory have shown marked improvement—we may hike the contest quota figure over the regular quota; if he is having a hard go of it, we may lower it a little."

Everybody "Wins" Something

"To stimulate every salesman to a maximum of extra effort during these off months, the contest should be set up so that with work the salesman is sure to (1) earn a little extra money through the special bonuses, and (2) have a chance at some of the prize money. Thus, the quota for one man may be \$2,000, for another \$5,000; and as nearly as we can arrange it, the one has as much chance of making his as does the other. Contest quotas usually are a little less than those set up at the beginning of the year simply to inspire more work."

To indicate the effectiveness of the contest, take the case of Salesman A, who is a good, average producer for



... A contest, Butler finds, is new starch for heat-wilted salesmanship.

the company, but who never had done anything exceptional. During each of the three contests his sales have increased 25 to 30% over normal. He has never won top money, but he has been among the prize winners in each contest.

On the other hand, Salesman B, year in and year out, ranks in the top five of the division's 24 salesmen. In 1937 he won first prize on unit sales; in 1938, first on dollar volume.

For the company, the contest has leveled off the sharp sales drop which formerly was normal for Summer months.

May is always a good month. Using May, 1937, as a base, June of that year fell off about 10%. July, the first month of the contest, showed a 20% increase over May; August was only 10% under May, or equal to June, and September was up 10% over May. Ordinarily June is not a bad month, September is poorer than May or October, and July and August are way down. Sales volume in 1938, while the general level of sales for the year was somewhat under 1937 due to the general business decline, followed approximately the same pattern from May to October; that is, even in a bad year, the contest kept the poorest months of the year well up to a typical good month, May.

The contest now is beginning to have a cumulative effect. Salesmen look forward to it, and yet "we have failed to find any evidence that they hold over business to count in the contest period. Announcement of the contest does not reach salesmen until the second or third day of the month in which it is supposed to start, and it may start in either June or July."

In spite of the fact that 1939 will be the fourth consecutive year for the promotion, it has not lost its freshness for the men. One reason for this is that there is little ballyhoo connected with the contest. It is conservatively promoted. In addition to the announcement, a general letter goes to the men once or twice a week, and a bulletin showing standings every two

weeks or so. Various executives of the division write these, which shows they are interested and are watching the salesmen's progress. Occasionally there is a brief reference to the contest in the company's house organ. Another factor is the absence of other contests or special drives during the year. This is *the* sales contest of the year.

Delaware Floor Products Company Offers Trips to New York Fair

COMPANY SPONSOR: *Delaware Floor Products, Inc.*, Wilmington, Del.

TYPE OF CONTEST: New York World's Fair "Fair Quota."

FOR: Company salesmen.

SALES PROBLEM: To effect a 25% increase in volume, and to bring salesmen together at a July convention.

The company makes Del-Ware Kolorflor, hard surface floor covering, which is sold by some 40 salesmen throughout the country. Distribution is through 82 wholesale distributors. Each Delaware representative helps distributors train their salesmen. Orders for shipments are through these distributors, not direct to retailers.

A program of national advertising had gone into operation on January 1. This tied up to *House Beautiful's* "Bride's House," (five completely decorated homes and apartments exhibited in New York), and the "Ivory Washable House" which Procter & Gamble and *House Beautiful* will display in Rockefeller Center. Del-Ware Kolorflor is used in both these model home exhibitions.

By making the contest prize a trip to New York's World's Fair, a triple objective was reached. First, salesmen and their families are interested in the Fair, and a visit to it is worth an effort to achieve. When they get to New York, Delaware men can also see the company products in the two model homes. Finally, the factory is only a short distance away, at Wilmington, where the sales convention is to be held.

July was selected for the convention so as to generate enthusiasm for the final six months of the year, the best season for the product.

Before the first of the year each Delaware representative was asked to submit an estimate of the amount of business which would originate in his territory in the first six months of 1939. These forecasts were the basis of quotas in the contest, modified by home office calculations. "We want each man to win, so the quotas are not unreasonable," explains Sales Manager A. Kaufmann.

In the contest's initial announce-

ment, which described the World's Fair, sight of New York, and the convention in Wilmington, salesmen were told frankly:

"Our sales promotion program is an ambitious one; it is costly. Bringing our sales force to the Fair is also costly. The only way we can absorb these expenses is to secure a large increase of sales on all items in our line. We have been "Fair"-minded in these quotas. Let's participate 100%. We can then have a sales convention (family reunion) at Wilmington after your visit to the Fair and the New York opening (of Delaware products) in July." A personal letter went to each man with his quota assignment. If he made it, he would be rewarded with first-class fare and Pullman money. Should he travel on the low excursion rates, or by car, he could bring his wife.

"A Red Letter" also was sent to the men with a miniature hat, of actual Del-Ware Kolorflor. To "throw their hat in the ring," they wrote their names on the hats and sent them to the home office with a carload order from a distributor.

"In our first letter we did not use any of the World's Fair symbols, such as the trylon and perisphere," says Mr. Kaufmann, "because we had not then secured permission from Fair authorities. But we are sure we will be able to use these copyrighted trade-marks in future contest-stimulating letters."

Salesmen and their wives have written to Delaware headquarters that they are actively participating, and that they appreciate the personal appeal of the first letters. It appears that the "Fair" quotas will be fully met.



To see the Fair in Flushing—plus Manhattan's minarets—Delaware men strive for 25% more sales.

20th Annual

CARITAS CUP RACE

Oct. 14 Oct. 21 Oct. 28 Nov. 4 Nov. 11 Nov. 18 Nov. 25 Nov. 30

1. Tri-State	Cincinnati	Tri-State	Tri-State	Tri-State	St. Louis	St. Louis	St. Louis
2. Cincinnati	Tri-State	Cincinnati	Trammell	Thompson	Hillard	Hillard	Thompson
3. Kentucky	Kentucky	Thompson	Cincinnati	Trammell	St. Louis	St. Louis	Seaboard
4. Virginia	St. Louis	Trammell	Thompson	St. Louis	Thompson	Hillard	Seaboard
5. Alabama	Thompson	Seaboard	Kentucky	Cincinnati	Cincinnati	Georgia	Seaboard
6. Trammell	Trammell	Kentucky	Rose	Kentucky	Rose	Cincinnati	South Calif.
7. Michigan	Virginia	Alabama	Seaboard	South Calif.	Trammell	South Calif.	Seaboard
8. St. Louis	Seaboard	Virginia	Rose	Rose	Rose	Georgia	Rose
9. Ohio	Rose	Michigan	St. Louis	Seaboard	Kentucky	Ohio	Trammell
10. Oregon	West Pa.	Georgia	Georgia	Hillard	Georgia	Georgia	Kentucky
11. Great Nor.	Alabama	Georgia	Ohio	Alabama	South Calif.	Oregon	Georgia
12. West Pa.	Eastern Pa.	West Pa.	Virginia	Ohio	Ohio	Georgia	Ohio
13. Thompson	Oregon	Rose	Rose	West Pa.	Virginia	Oregon	Ohio
14. Seaboard	Georgia	Ohio	South Calif.	West Pa.	Alabama	Alabama	West Pa.
15. Hillard	Washington	Oregon	Great Nor.	Eastern Pa.	Georgia	Virginia	West Pa.
16. Tennessee	Ohio	Hillard	Michigan	Oregon	West Pa.	Virginia	Great Nor.
17. Illinois	Great Nor.	Florida	Michigan	Michigan	Michigan	Michigan	Great Nor.
18. Rose	Florida	Illinois	Florida	Florida	Great Nor.	Florida	S. W. Texas
19. Florida	Michigan	Eastern Pa.	Hillard	Great Nor.	Florida	S. W. Texas	Florida
20. Slick	Great Nor.	Great Nor.	Eastern Pa.	Eastern Pa.	S. W. Texas	Washington	Illinois
21. Mid-Western	S. W. Texas	Washington	Washington	S. W. Texas	Illinois	Illinois	Illinois
22. Georgia	Tennessee	South Calif.	Illinois	Illinois	Eastern Pa.	Illinois	Illinois
23. Washington	Mid-Western	N. E. Texas	Carolina	Washington	North Calif.	North Calif.	North Calif.
24. N. E. Texas	Illinois	S. W. Texas	S. W. Texas	North Calif.	Washington	Washington	Washington
25. S. W. Texas	South Calif.	Carolina	North Calif.	Carolina	Slick	Carolina	Carolina
26. Eastern Pa.	North Calif.	Mid-Western	Slick	Tennessee	Tennessee	Slick	Tennessee
27. North Calif.	N. E. Texas	North Calif.	Mid-Western	N. E. Texas	Carolina	Tennessee	N. E. Texas
28. Carolinas	Carolinas	Tennessee	Tennessee	Slick	N. E. Texas	Mid-Western	Mid-Western
29. South Calif.	Slick	Slick	N. E. Texas	Mid-Western	Mid-Western	Mid-Western	Mid-Western

(The Message by Vice President Burnett is on Page Four)

OCTOBER 10 TO NOVEMBER 30

How Reliance Life Stages Four Contests During the Sales Year

COMPANY SPONSOR: *Reliance Life Insurance Co.*, Pittsburgh, Pa.

TYPE OF CONTEST: Year-round, embracing various shorter contests.

FOR: Life insurance salesmen.

SALES PROBLEM: To provide a year-round stimulation program.

The experience of the Reliance Life Insurance Co. might be offered as evidence that haphazard and surprise contests are not as effective as consistent, traditional competitions in which the salesmen look forward each year to the opportunity of repeating a success or redeeming a defeat under the same rules that governed their activities the previous year. For with Reliance, the identical contests and sales stimulation ideas that clicked in 1938 are listed again for the same months of 1939. And one of its annual contests will be run this year for the 27th consecutive time.

Herman T. Burnett, vice-president in charge of agencies, who directs the company's contests and sales promotion activities, believes in long-range planning. Therefore, at the beginning of 1939 his divisional superintendents, departmental managers, and those who cooperate in advertising and sales promotion, know exactly what will happen

month by month this year and are able to plan accordingly for what is coming—namely, four contests lasting one month each, one contest of indeterminate duration until it is announced (ranging from four to seven weeks) and four contests on an annual basis.

The four monthly contests are held in January, March, May and August. In the first of these the four divisions of the Reliance sales force—eastern, western, southern, and western Pennsylvania departments—were engaged in the Divisional Cup Race. This contest was inaugurated only last year by Mr. Burnett, but it so "challenged the sporting blood of members of each department in each division" that it was continued this year. Reward for winning this contest was a silver loving cup that went to the western Pennsylvania division, which also won it last year, as a permanent possession. All such awards in Reliance contests must be won for two consecutive years by the same agency before they can be retained.

March is "Leaders Month" in the Reliance field force. Thirty prizes are offered to the leaders in volume of sales for accident and health premiums.

Since this is the only individual prize contest which the company sponsors, says Robert E. Wood, publicity director, "the competition is terrific."

The anniversary date of the founding of Reliance Life falls on May 4, and to commemorate the occasion the month of May is devoted to an Anniversary month drive. To make the Honor Roll, each salesman must produce \$1,000 worth of business for each year the company has been operating—which means \$36,000 worth of business for May, 1939, since this year the company is 36 years old.

August is another anniversary month, that of the birthday of the president of Reliance Life. Here the field force may again strive for the Honor Roll, the requirements being to produce during the month \$10,000 or more worth of business. In these two contests the names of the men who make quota are inscribed on the Honor Roll, which is in turn presented to the president with "appropriate ceremonies" at Pittsburgh.

Rules Always Simple, Consistent

The biggest individual contest of the year comes in October and November. It's the contest, the Caritas Cup Race, which this year will be conducted for the 27th consecutive year. The title of the contest comes from the company's insignia, the Abbott Thayer painting of "Caritas," generally accepted as the symbol of love and protection. Only four times in 26 years has the Caritas Cup, the tangible symbol of award, been won twice in succession by any department and retained as a permanent possession. This contest varies from four to seven weeks merely to give a change of pace to this annual event, and it is interesting to note here that in the past two years it has been won by a contender who came up from behind and forged ahead only in the last two weeks of the campaign.

All of these monthly contests of Reliance Life are based upon simple, short and consistent rules. There are no tricks or confusion, "but instead every effort is made to make sure that everyone participating understands what is counted and when and where is the final deadline." Each contest is promoted through the weekly house-organ, the "Reliance Bulletin," which reports weekly standings of leaders and publishes inspirational material to spur the men on.

The most important of Reliance's yearly drives is the Gold Watch contest which has been in operation for more than 25 years. This campaign

JOHN F. CHAPMAN, Foreign Editor of BUSINESS WEEK, left New York February 23 on another of his periodic trips to Europe. His itinerary will take him to London, Paris, Berlin, Rome, Budapest, Warsaw, and Moscow. His job, as usual, will be consultation with BUSINESS WEEK'S staff of foreign correspondents and interviews with business and political leaders in all the countries visited. During his trip, BUSINESS WEEK will, as usual, add to its Business Abroad Department radio and cable reports from Mr. Chapman giving his impressions of the outlook in Europe's centers of trade and of political stress.

However, in this critical year of 1939, he has a special mission. This is to look at Europe from the viewpoint of American business executives who are perplexed by post-Munich contradictions, *and to prepare for early publication in BUSINESS WEEK a Report to Executives analyzing the effect of the European situation on world trade.*

Here is one special phase of BUSINESS WEEK'S regular weekly job of giving its readers a first-hand answer to the 1939 question—What's Ahead for Business?

Business Week

A L E R T • A C C U R A T E • A U T H O R I T A T I V E

can be entered at any time, and offers a specially designed Reliance watch, with a replica bas-relief of the "Caritas" on the back, to the agent who can complete 52 weeks of written and paid production according to the rules of the contest. As an incentive for consistent production, Reliance Life has found this contest one of its most effective. After the first watch is won, other prizes of equal value may be selected. A Pittsburgh agent, who won 23 consecutive years, was featured not long ago in Ripley's "Believe It or Not" for his outstanding weekly sales.

Perfect Protection, combining in one insurance contract life, accident and health insurance, was started at Reliance Life in 1913. Since then there has been a Perfect Protection Club, requiring a certain amount of accident and health insurance business in addition to life insurance.

From June 1 of the preceding year to the following May 31 Reliance agents seek to qualify on a production basis for an agency convention. This year six regional conventions will be held, and those agents who have produced a specified volume of sales during the year will attend.

form, listing name, address, and kind of business, name of proprietor, whether or not there are partners in the business, number of employes, whether quarters are owned or leased, how long in business there, whether or not the owner plans to remain there, how current business compares with that of the previous year, outlook for next year, and whether or not the place is equipped with or needs the various products which they have to sell. If it is so equipped, they list the type and age of the equipment.

A copy of this report goes to the factory for analysis and follow-up, and the salesman himself is expected to follow up the prospects he discovers. In so doing he follows a definite procedure, furnishing literature calculated to arouse the prospect's interest, making an album demonstration, making an actual survey, making a formal proposal, and closing the sale.

For each activity he receives a specific reward. The reward for making census calls, by the way, was doubled this year.

The schedule of "activity points" has been listed. Sales points are based on the value of the products sold and range from ten points to several thousand points per sale.

Prizes Well Worth Working For

The first award is a club membership pin for 1,000 sales points and 500 activity points. This award is made as soon as one qualifies for it. Those who qualified last year will exchange their pins for diamond-set ones upon qualifying again in 1939. Other awards, to be made at the end of the season, range from merchandise valued at \$10 for every salesman who earns a total of 2,500 sales points and 1,000 activity points, to Nash automobiles for those who earn a total of 60,000 sales points and 10,000 activity points. Others may choose from a wide variety of merchandise.

As stated in the booklet announcing the contest: "About the only way any Kelvinator commercial man can stay out of the Producers winning column in 1939 is by failing to enter and report his sales and activities."

This brings up another phase of the subject. In order to participate in the contest, each salesman must enlist, and submit weekly reports of his activities to the Business Census Department at the factory. An enrollment card, with spaces for his name and address, his wife's name, his supervisor's or sales manager's name, and his distributor's endorsement, is provided, as are weekly report forms and others. Reports must be confirmed by the dis-

Kelvinator Drive Encourages Well Rounded Salesmanship

COMPANY SPONSOR: *Kelvinator Division, Nash-Kelvinator Corp., Detroit.*

TYPE OF CONTEST: Producers Club Contest.

FOR: Distributors' salesmen.

SALES PROBLEM: To encourage well-rounded sales effort.

The staple ingredients of a sale are well known. Even the salesmen know that if they make calls, presentations, and proposals, they are bound to close some sales. But do they all do the things they know they should do?

Kelvinator Division, Nash-Kelvinator Corp., employed a corps of investigators to find out. They called on 3,567 business places in 16 cities. And not only did they find that, on the average, one of every five of these businesses needed some unit of Kelvinator equipment, but they also reported that 50.9% of these 3,567 businesses had not been called on by a commercial salesman during the preceding 12 months.

There was proof of the market and proof that it was not being combed thoroughly. If a Kelvinator commercial salesman would just walk down the street, stopping in at each business place. . . . But how could distributors' salesmen be prevailed upon to do, systematically, day after day, each and all the things they were taught to do and knew they should do? The answer: A sales contest, with credits for each and every activity. And not just a temporary splurge, either, but a perennial activity.

The Producers Club contest, which began February 1, 1938, and is being repeated with minor changes during 1939, was the result. In addition, five special campaign contests among the same salesmen are being scheduled for this year.

In the perennial contest, prize

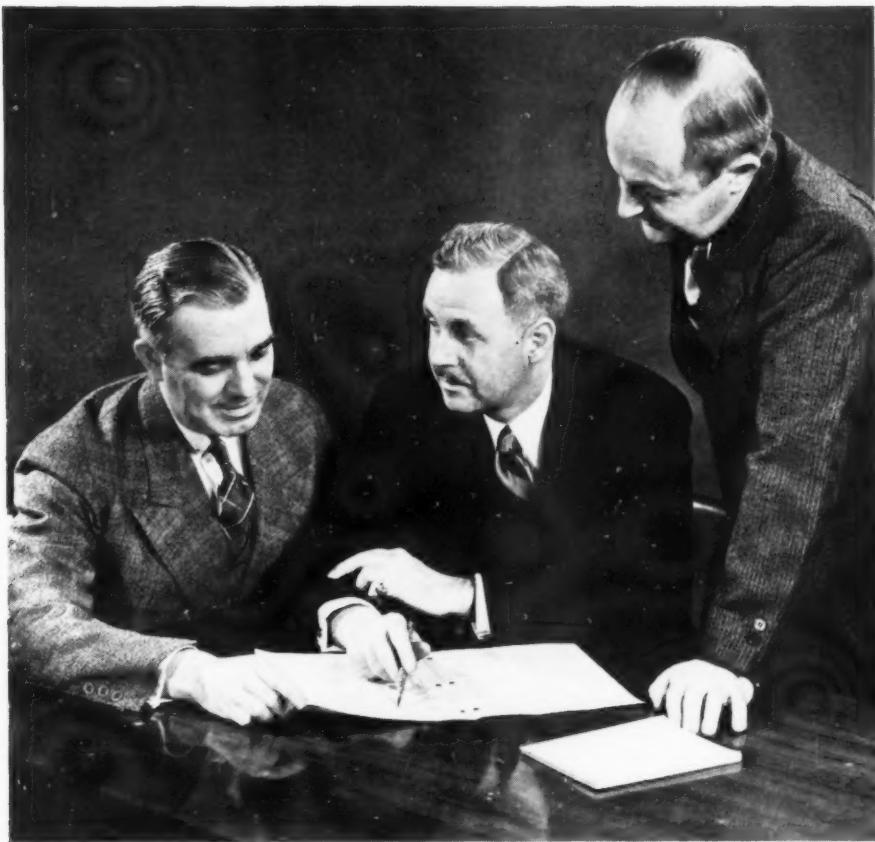
points, redeemable in merchandise, are awarded for doing each of the jobs that contribute to sales, as well as for making actual sales. Prize points are of two classes, "activity points" and "sales points." The former include all activities that produce sales and are as follows:

For each business census call . . .	2 points
For each complete album demonstration	20 "
For each complete proposal submitted to prospect	30 "
For each demonstration learned	50 "
For attending each sales training school	100 "

In other words, Kelvinator commercial salesmen are rewarded for learning how to sell their line, for getting prospects, making demonstrations, and submitting proposals, as well as for making actual sales.

The line includes standard commercial refrigeration, beverage coolers, water coolers, cases and coolers, commercial air conditioning, residential air conditioning, and automatic heating, and there is an album demonstration for each. Not all distributors carry the complete line, of course, but their salesmen are expected to know how to make an album demonstration of each product they do carry. And learning such a demonstration is worth just 50 points to them. When and if they attend one of the commercial sales training schools, they are awarded 100 points. Their district manager passes on these matters.

Then in order to make sales they must have prospects, so they are furnished a plan for getting these. They go out and make census calls in the name of the Temperature Research Foundation. They are just gathering information. But they gather all the necessary information about each business place visited and fill out a survey



The Law of Averages is an invisible second to the Kelvinator salesman here going over a survey form with two prospects . . . statistics prove that, with proper follow-up, 11.1 such business census contacts produce a commercial sale.

tributor. On receipt of each weekly report, the factory mails him an acknowledgment card; or if no report is received, it mails him a reminder card.

The factory also uses an assortment of letters and cards to keep the salesmen's courage up, praise the performers, chide the weak sisters, and so on. A semi-monthly "Producers Club Bulletin" carries reports of leaders and other interesting articles.

At the end of each week, the Business Census Department prepares a "Report on Sales Production Line Activity" for each distributor, listing, for "This Week" and "To Date," the number of salesmen reporting, number of census contacts made, number of album demonstrations, number of proposals submitted, number of sales, activity points earned and sales points earned.

Accompanying this report is a "Sales Efficiency Scale" for the division in which the distributor is located, reporting the "National Performance" and "Division Performance" of distributors in five categories: "Number of business census contacts per album demonstration," "Number of album demonstrations per proposal," "Number of proposals per sale," "Number of demonstrations per sale," "Number of census contacts per sale."

Copies of all such reports go to the

eight division offices, of course, and these are supplemented by a "Summary Report on Sales Production Line Activity" for the division. This lists the number of distributors reporting that week, then for "This Week" and "To Date" the number of salesmen reporting, number of business census contacts, number of album demonstrations, number of proposals submitted, number of sales, activity points earned and sales points earned.

It begins to be quite obvious that all this provides some very interesting statistics. Taking an Efficiency Scale report for one week, for example, we learn that, nationally, salesmen that week made 3.14 business census contacts per album demonstration, 1.51 album demonstrations per proposal, 2.45 proposals per sale, 3.7 demonstrations per sale, and 11.6 census contacts per sale.

That was just for one week. But a similar analysis could be made for a year, or any other desired period. And that is exactly what Kelvinator has done. At the conclusion of the 1938 contest, the Business Census Department prepared a report that gives the low-down on the law of averages. This includes seven analyses, each profusely illustrated with silhouette sketches.

The first such "Salescale," as they

are called, illustrates the component parts of a Kelvinator commercial division sale. It shows, graphically as well as in figures, that 11.1 business census contacts, plus 3.63 album demonstrations, plus 2.43 personalized proposals, equal one commercial sale.

The second shows, in the same way, that 14.55 business census contacts, plus 3.85 album demonstrations, plus 2.63 personalized proposals, equal one Kelvinator Standard Commercial sale.

Similarly, 13.54 business census contacts, plus 3.08 album demonstrations, plus 1.23 personalized proposals, equal one Kelvinator water cooler sale.

Number 4 reveals that 6.92 business census contacts, plus 3.97 album demonstrations, plus 3.30 personalized proposals, equal one Kelvinator beverage cooler sale.

Comparatively few businesses are in position to install air conditioning, hence it takes 55.95 business census contacts, plus 11.68 album demonstrations, plus 5.43 personalized proposals to equal one commercial air conditioning sale.

Answer to "What's the Use?"

Automatic heating requires 26.96 building and modernization census contacts, plus 5.53 album demonstrations, plus 4.30 personalized proposals per sale.

With such statistics available, it is but a step to calculate the sales potential of any given territory. National census figures show that there is an average of 20 business establishments per 1,000 of population, hence in a city of 100,000, on the average, there would be 2,000 business places; it would take 50 man-days to make a complete business census of these places. These would be followed by 650 album demonstrations, 437 proposals, and 180 commercial sales.

One more step in each of the analyses summarized above gives the average dollars and cents value of each business census contact, album demonstration, proposal, and sale.

So when a salesman is inclined to say, "What's the use?" one who has such statistics can cite that law of averages as proof that it is worth actual dollars and cents to drop into a business establishment and make a census contact, as well as to follow this up with other steps of the procedure.

Similarly, the graphic and statistical analysis of the average commercial sales potential is of inestimable value to the distributors and prospective distributors or dealers in estimating their potential sales, number of salesmen required, and other major problems.



THE BOTTLED-IN-BOND BATTLE: CAN HIRAM WALKER WIN?

• Hiram Walker owns the world's largest distillery, several smaller ones and a whiskey reserve of millions of gallons. FORTUNE explores this mighty empire. How it rose from dark horse to one of the leaders under the lively direction of Harry Hatch. And outlines the line-up for the great war that is coming in whiskey. Around June about 35,000,000 gallons will become 4 years old and thus eligible for the coveted green label of the U. S. bonded warehouse. Then the grim struggle for first place will begin—Seagram vs. Schenley vs. National vs. Hiram Walker. The result will probably decide the leadership in the industry—perhaps for years to come. **HIRAM WALKER DIGS IN.** FORTUNE for March. Page 68.

WHAT ARE F.D.R.'S 3rd TERM CHANCES?

• Some people are going to get a few shocks when they read this month's FORTUNE SURVEY findings. Questions answered—How much is Roosevelt gaining or losing in popularity? If he defies the third term tradition, will enough supporters desert him to swing the election to the G. O. P.? Has any other New Dealer a chance? Before you indulge in 1940 wish-thinking or bet-placing, read Page 66. FORTUNE for March.

IS CAPITALISM COMMITTING SUICIDE?

• The Editors of FORTUNE point to the fate that threatens the profit-system if it fails to break through the present stagnation in development of new industry. Shows, also, how it is possible (notwithstanding the many reasons for discouragement) for private enterprise to take the initiative now. **BUSINESS-AND-GOVERNMENT.** FORTUNE for March. Page 57.

GLOBE'S SILVERY: IRON BY R

• Globe Iron is the company that will mix you up a batch of iron according to your prescription. It's a small, old-fashioned, family concern. But it has big customers—General Motors for one. And big profits—it's paid stock dividends as high as 900%. Secrets of its success are mainly two. First, it specializes in Silvery. Second, it is run by the Jones family. What is Silvery? Who are the Joneses? Read **ARCADIA IN IRON.** March. Page 53.

[38]

"Ask that public relations man what to say when a customer asks, 'Hey, Babe, how about Thursday night?'"



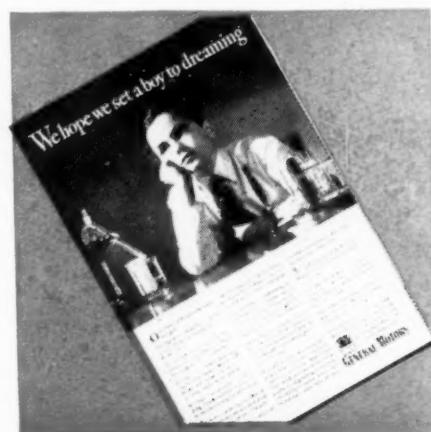
How is Business making friends and influencing people?

• "Public Relations" used to be the poor relations of Business in more senses than one. But now it's rapidly rising to a major activity of management—from mere press-agentry to positive action, designed not only to win, but also to deserve public esteem. FORTUNE looks over some of the more notable good-will seekers. Reviews some of the means—U. S. Steel's comfortable press room, G. E.'s House of Magic, A. T. & T.'s smiling voices, N. A. M.'s I.P.S. And introduces some of the men—General Food's Chester and Burnett, the chain stores' Braun and Don Francisco. **THE PUBLIC IS NOT DAMNED.** FORTUNE for March. Page 83.

NEXT MONTH . . . Television . . . Procter & Gamble . . . Studebaker Light Car . . . Migratory Labor . . . Lenox China.

AND G. M. ALSO HAS A CONSCIENCE

• Chief custodian of General Motor's social-sense is Alfred Sloan. Assistant custodians are Boss Kettering who explores the future at the G.M. Research Laboratories; Buck Weaver, who sends you those famous consumer-questionnaires-without-tears; Ormond Hunt whose work comes out in the new models; Paul Garrett whose job is "finding out what people like, doing more of it; finding out what people don't like, doing less of it"—in other words, Public Relations. In FORTUNE's final article on G.M. you see these men at work. Also such other social aspects of G.M. as its pricing policies, and its labor relations. **GENERAL MOTORS IV: A UNIT IN SOCIETY.** FORTUNE for March. Page 45.



SALES MANAGEMENT

VENEZUELA: beautiful, rich —and virginal

• Venezuela looks like a Utopia. For tax payers—no income or corporation-profit taxes. For investors—some nice unexploited resources, such as bauxite, balata, mangoes. For labor—a shortage of it. Yet few seem to have been rushing the lady. Among the reasons was the jealous eye of father Gomez. But at last the old man is dead. So what hope now for Juan Bimba (her Forgotten Man) in Venezuela's Three Year Plan? What for Mr. Hull and his trade treaty? For Uncle Sam's "hemisphere defense"? And Hitler's ASKI marks? The fifth of FORTUNE's South American series. **SOUTH AMERICA VS. VENEZUELA.** FORTUNE for March. Page 74.



NEW PROJECT—THE FORTUNE ROUND TABLE

• The Round Table Editor, Dr. Raymond Leslie Buell, reports on the first of a series of give-and-take discussions on the irrepressible issues of the day. Eleven active, well-informed men prod and con-d the Effects of Government Spending upon Private Enterprise—an economist, a department store treasurer,

a New Deal writer, a Telephone Co. president, a public utility man, a labor union official, an aviation engineer, a judge, a farmer, an automobile vice president, a manufacturing executive. Their views, comments, and dissenting opinions are synthesized in **THE FIRST FORTUNE ROUND TABLE.** March. Page 59.

THE ADS ARE INTERESTING, TOO

A tiresome twin of an empty yesterday.
—*Anheuser-Busch, Inc.* (D'A. Adv.)

He's planting seed for a new kind of glass . . .
—*Corning Glass* (B.B.D. & O.)

Red and blue make white!
—*Gilbert Paper* (M. & F. Inc.)

Does Niagara Falls make a noise?
—*Young & Rubicam* (Y. & R.)

Safer than postage stamps in a safe . . .
—*Postage Meter Co.* (B. & V.)

It is not geography that makes good caviar.
—*International Salt* (The S. Co.)

How much oil does it take to get to England?
—*Metropolitan Life Ins.* (Y. & R.)

"Lads, I ha' my trademark."
—*J. Walter Thompson* (J.W.T.)

Ambrosia at one bar, stale pop at another.
—*Goodrich* (G.E.)

The hot stove case.
—*Interchemical* (T.J.M.)

Industry's most celebrated doodlers.
—*A. W. Faber Inc.* (A.A.)





Specific Tasks Are Feature of Pontiac Used Car Sales Drive

COMPANY SPONSOR: *Pontiac Division, General Motors Corp.*

TYPE OF CONTEST: "Fight 4 (for Pontiac.)"

FOR: Retail salesmen.

SALES PROBLEM: To sell \$200,000 worth of Pontiac used cars during the Winter of 1938-39 through a planned procedure that could be followed by Pontiac's 8,000-odd retail salesmen.

The slogan of the contest, "Fight 4 (for) Pontiac" provided the keynote around which this contest was built. In order to qualify for any of the numerous merchandise prizes, each Pontiac salesman was required to do four specific things each day, four days a week, throughout the entire eight weeks of the campaign. He had to report a minimum of:

Four personal calls on owners of older model used cars,

Four telephone calls to other owners of similar cars,

Four penny post card mailings to similar owners,

Four proposition cards placed on older model used cars every day of the four days each week during the campaign.

In other words, the salesmen were told exactly what to do each day in order to sell used cars and thereby win one or more of the prizes offered.

But the planning went far beyond that. It probably began about a year before, when Pontiac, in common with other motor car manufacturers, was forced to curtail production because of the used car jam. Used car stocks in 1938 were only about 60% of what they had been the year before, but Pontiac was taking no chances on an

No chance for enthusiasm to grow cold in Pontiac's big Winter promotion! . . . mailings to the salesman during the contest brought him these seven vivid reminders, and an eighth—to his home—made his family's interest an extra and potent spur to effort.

other Spring blockade. The used car sales contest during the Winter of 1938-39 was decided upon, the plan approved by the Pontiac Dealer Council at its August meeting, and dealers given a chance to recommend the prizes that should be awarded. They chose merchandize prizes.

There was then ample time in which to plan the procedure of the contest and work out the "Fight 4 (for) Pontiac" attack. This done, the field organization held 75 meetings, attended by some 3,600 dealers and 8,000 salesmen, to acquaint them with the program and to arouse their interest in the big Winter push. Pontiac worked out a sound slide film, produced by Jam Handy Picture Service, to present its contest both visually and orally to the dealers and salesmen at these meetings.

Reward for Missionary Work

In addition to the four-point specifications for used car demonstrations, the contest offered additional credits to the salesmen for making new car demonstrations with the Pontiac 1939 "Quality Six" to owners of certain other types of cars.

All dealers' salesmen and sales managers, both new car and used, were eligible. Salesmen were credited with 1½ points for every dollar of selling price of used cars they sold; sales managers, 3/10 of one point for every dollars' worth sold by their salesmen or themselves. Every contestant was required to earn a minimum of 1,500 points, though, or else to sell a minimum of four used cars during the contest period. No credits were allowed on "junkers," for cars sold at wholesale, or for sales made by dealers or partners, and none was allowed any salesman on a sale on which he received no other compensation.

Salesmen who made a minimum of four road demonstrations of the new "Quality Six" in one week were granted 200 points. But demonstrations were not cumulative; a minimum of four had to be made in the one week and in each week for which credit was claimed.

A 50-page merchandise prize catalog (Cappel, MacDonald & Co., Dayton) was sent to each salesman. A feature of this was a four-page section, illustrated with colored sketches, calculated to win the cooperation of "Those at Home"—wives, mothers, etc. The catalog, in addition to the special Pontiac cover in color, carried a page of inspirational copy, another of suggestions on how to get more used car sales, and a third devoted to the rules of the contest.

The campaign proper opened early in December with the mailing of a broadside featuring an "Official Dispatch" from "General" C. P. Simpson, Pontiac's general sales manager, who conceived and directed it. The military theme was emphasized by ranking dealers as major-generals, sales managers (new and used) as captains, and salesmen as privates. After accumulating 1,500 points, a private became "Private First Class"; 2,500 points made him a corporal, 3,500 a sergeant, and 5,000 a sergeant-major.

\$185,000 in Merchandise Prizes

The broadside outlined the plan of campaign, stated the rules, told dealers and salesmen how to conduct their part of the campaign, carried appropriate "hoop-la," and had a reprint of Elbert Hubbard's "A Message to Garcia" in an attached envelope. Dealers were assigned quotas by their zone officers, and those who made quota were promised suitable awards.

Dealers were furnished all necessary material, including blanks of assorted varieties, a wall chart for listing performance of individual salesmen, and sales helps of several kinds.

Eight mailings were used during the campaign. Seven of these, all self-mailers, were addressed to the salesmen, while the eighth, in an envelope, was sent to their women-folk. All were printed in color.

"The campaign was a success from the opening gun," a spokesman for General Sales Manager Simpson said. "Dealers representing 80% of the sales potential enlisted. And as most of the remaining 20% are small dealers who do not employ salesmen, we estimate that at least 95% of all eligible dealers participated. Approximately 8,000 retail salesmen also participated, and a very large percentage of them will qualify for awards—some for very handsome awards. We expect to give out at least \$185,000 worth of merchandise prizes.

"We knew that any salesman who would do the things required of him in this contest would sell some used

cars. He just couldn't help selling some. It's the old law of averages; so many calls, so many 'phone calls, so many mailings, so many propositions, are bound to result in so many sales.

"And they did. Used car sales increased during each ten-day period, beginning with the first. Total used car sales in December were greater than for November, which is contrary to custom. And in spite of the holidays and inclement weather, sales during the last ten days of December exceeded those of the second period.

"Basing credits on the dollar volume of sales also resulted in speeding up sales of higher-price used cars. This

is mighty important, because dealers always have more of such cars during the period following introduction of new models, and these are the ones that are hardest to move. The campaign was timed to take care of this situation, as well as to provide that proverbial 'ounce of prevention.'

"In addition, we took this opportunity to get a larger share of the low-price market for new cars by giving credits for demonstrating our new 'Quality Six.' This has given the new line an excellent introduction."

The contest lasted 60 days, or from December 12, 1938, to February 10, 1939.



White & Bagley's Ad. Mgr. Holland . . . on the wall are promotion pieces in her Golden Anniversary contest.

Getting Preferred Push for the Line by Jobbers' Salesmen

COMPANY SPONSOR: *The White & Bagley Co.*, Worcester, Mass.

TYPE OF CONTEST: Golden Anniversary.

FOR: Jobbers' salesmen.

SALES PROBLEM: To win new accounts and stimulate salesmen in the development of old accounts.

A Golden Anniversary contest staged during the entire year of 1938 by White & Bagley gave this company one of the best years in its history, "with many new jobber accounts, hundreds of new dealers, and thousands of new retail customers."

White & Bagley sell a wide range of lubricating and cleansing products the two best sellers being Oilzum motor oils and Oilzum E. P. super gear oil. At the beginning of the anniversary year, two new products, Oilzum Vita-Solv gear flush and Oilzum Break-In oil, were put on the market.

To stimulate interest in the company's anniversary, Mary T. Holland,

advertising manager, devised and directed a promotional campaign which included the jobbing, dealer and consuming links of the chain. Most important was the jobber promotion which centered around a punchboard contest, staged during two separate periods selected to coincide with the two peak selling seasons in the automotive industry—March, April, May and September, October, November. During those two periods jobber salesmen were offered a free punch on the Golden Anniversary punchboard for specified sales production, which included emphasis on new business.

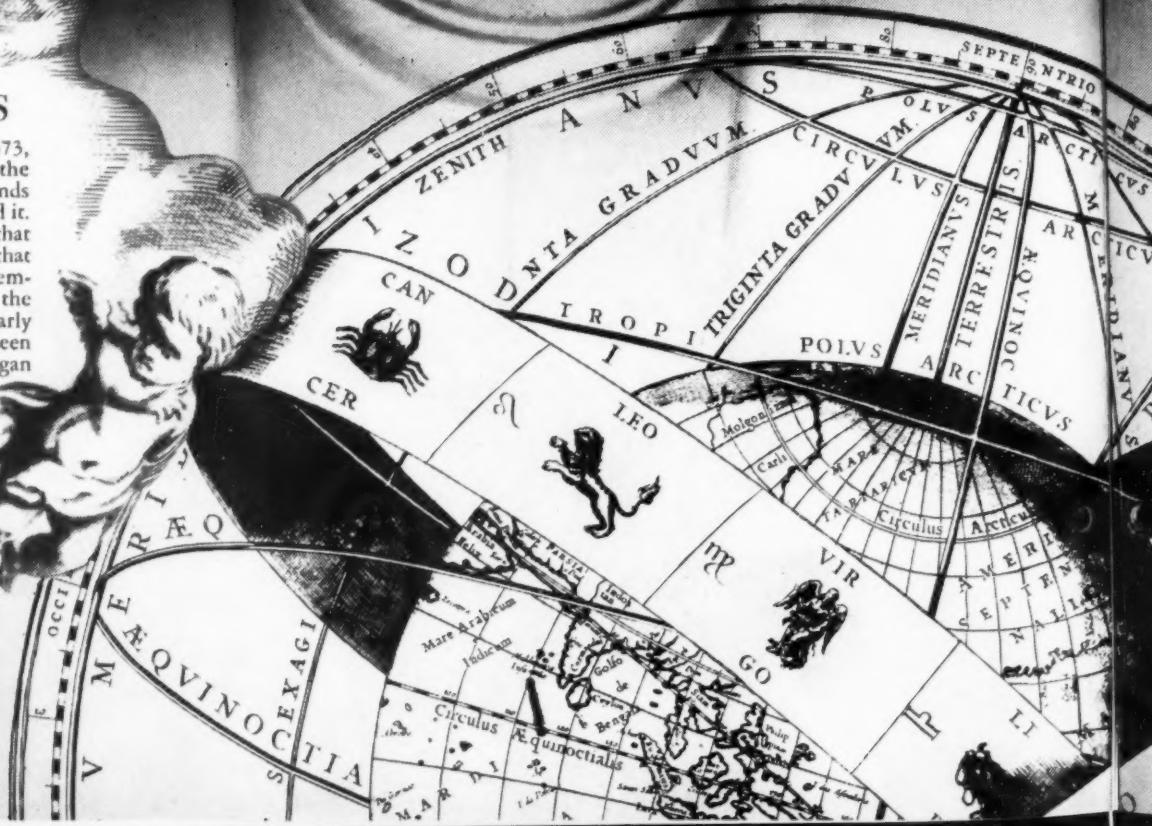
In devising this program, Miss Holland sought to induce jobber salesmen to work for new dealer accounts by allowing one free punch for each new order for 55 gallons of Oilzum or for \$50 worth of assorted products to contain at least six cases of Oilzum motor oil. Then, to make the contest equally interesting to those salesmen

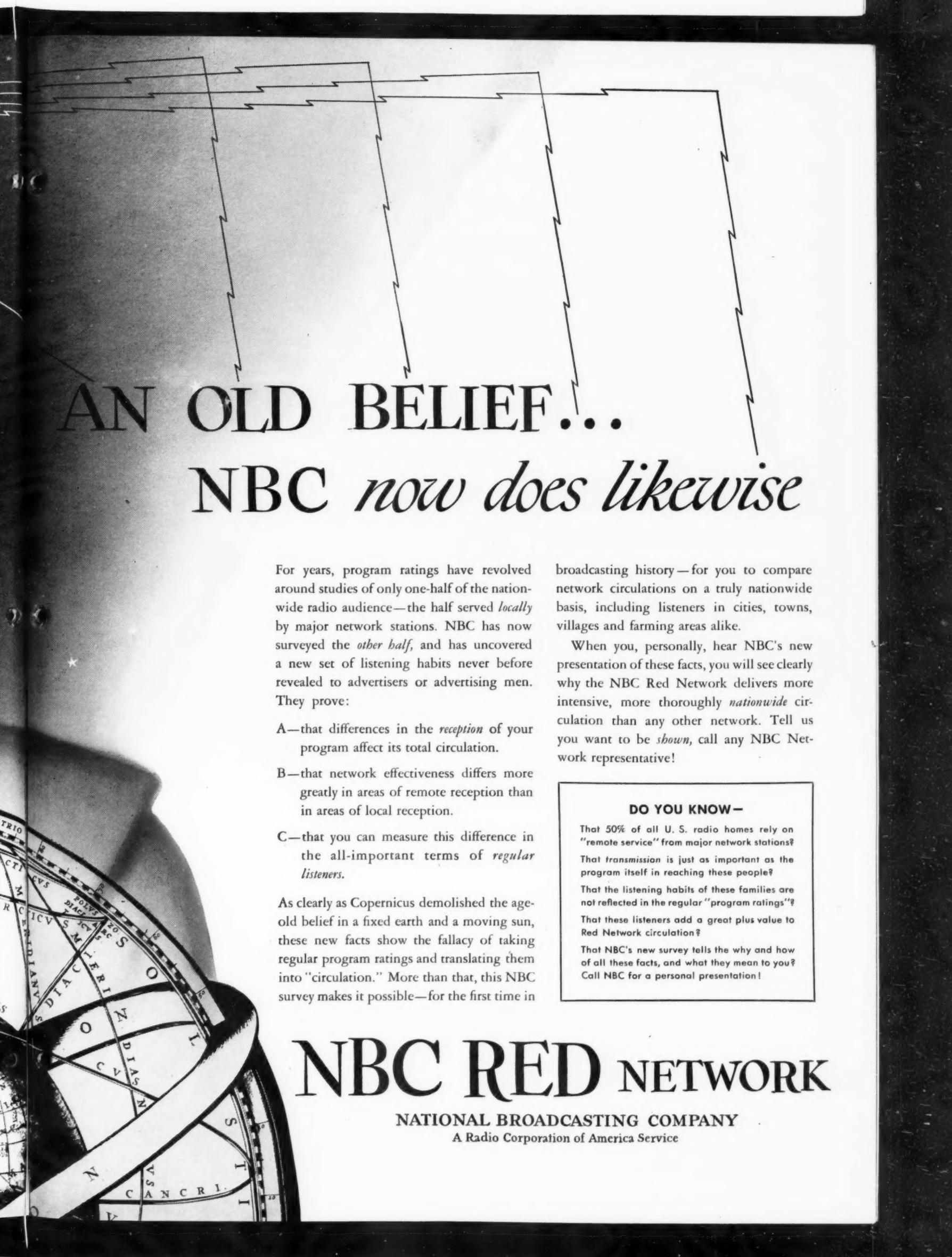
HOW DO RADIO WAVES AFFECT
THE "STARS" OF THE AIR?
IS YOUR PROGRAM-RATING A TRUE
MEASURE OF CIRCULATION?

COPERNICUS DISPROVED

COPERNICUS

— astronomer, born 1473, died 1543 — disproved the belief that the earth stands still and the sun and stars move around it. By conclusive arguments, he proved that the planets revolve about the sun, and that each turns on its own axis. He thus demonstrated facts that had existed since the dawn of time. NBC's new survey similarly throws new light on facts that have been true ever since broadcasting stations began to function.





AN OLD BELIEF...

NBC *now does likewise*

For years, program ratings have revolved around studies of only one-half of the nationwide radio audience—the half served *locally* by major network stations. NBC has now surveyed the *other half*, and has uncovered a new set of listening habits never before revealed to advertisers or advertising men. They prove:

- A—that differences in the *reception* of your program affect its total circulation.
- B—that network effectiveness differs more greatly in areas of remote reception than in areas of local reception.
- C—that you can measure this difference in the all-important terms of *regular listeners*.

As clearly as Copernicus demolished the age-old belief in a fixed earth and a moving sun, these new facts show the fallacy of taking regular program ratings and translating them into "circulation." More than that, this NBC survey makes it possible—for the first time in

broadcasting history—for you to compare network circulations on a truly nationwide basis, including listeners in cities, towns, villages and farming areas alike.

When you, personally, hear NBC's new presentation of these facts, you will see clearly why the NBC Red Network delivers more intensive, more thoroughly *nationwide* circulation than any other network. Tell us you want to be *shown*, call any NBC Network representative!

DO YOU KNOW—

- That 50% of all U. S. radio homes rely on "remote service" from major network stations?
- That transmission is just as important as the program itself in reaching these people?
- That the listening habits of these families are not reflected in the regular "program ratings"?
- That these listeners add a great plus value to Red Network circulation?
- That NBC's new survey tells the why and how of all these facts, and what they mean to you?
- Call NBC for a personal presentation!

NBC RED NETWORK

NATIONAL BROADCASTING COMPANY
A Radio Corporation of America Service

who had in the past been giving due emphasis to the obtaining of new accounts and, therefore, were not in a position to add as many new ones during the contest period, the company offered one free punch for repeat orders, equal to five unit sales, as designated for new orders.

Punchboards, approximately two by two and one-half feet, were supplied to jobbers, each board containing 50 punches—ten of \$1, \$2, \$3, \$4 and \$5 each, making a total of \$150. As soon as a salesman produced a specified unit sale he punched the board and immediately collected the prize, the value of which depended upon his luck. The fact that cash was paid at once was considered an important stimulus to the plan, since the salesman knew that immediate reward awaited his efforts. As a result of this plan many new accounts were added; sales generally showed a good increase; and salesmen punched these boards for many extra dollars.

Promotion Factor in Success

In addition to the punchboard, White & Bagley offered 17 grand cash awards, ranging from seven \$5 prizes to one \$100 award, for the salesmen who obtained most punches during each period. One salesman collected \$175 in addition to his punchboard money and practically all of the 265 jobber salesmen participating in the activity obtained cash awards indicative of greater sales production. As a means of checking sales for awards and also to emphasize the anniversary year, the company provided special Golden Anniversary order books whereby orders were made out in triplicate, one copy each for the jobber, the salesman and the company.

To insure complete acceptance of this contest and to tell jobbers about the company's 1938 plans, George J. Nurse, sales manager, at the beginning of the year made a two-month tour, visiting all jobbers, holding meetings with their salesmen to announce the two new products, the punchboard contest and the complete anniversary program. As salesmen joined the contest they were given coat lapel buttons bearing the anniversary insignia reproduced in miniature from the green, black and gold seal which was illustrated on all stationery and printed material.

Toward the close of 1937, White & Bagley asked its jobbers to submit lists of desirable prospects for a mailing campaign to be used as the basis for creating new accounts. To these prospects the manufacturer sent every

two weeks attractive four-by-eight-inch cards, each emphasizing a different Oilzum product but urging the prospect to stock the entire line.

On the day these cards were mailed to prospects, jobber salesmen received notice of the mailings so that plans could be made for follow-up visits. These mailings gave salesmen an excellent entree, since they provided a timely subject of conversation and broke down sales resistance. These mailings added "hundreds of new dealer accounts" and emphasized the entire line of products so successfully that several slow sellers or not-stocked items became reasonably good sellers.

To stimulate business for dealers, White & Bagley offered a dealer-to-consumer direct mail campaign, the number of motorists thus reached depending upon the dealer's volume of Oilzum sales. These pieces were prepared in the advertising department at Worcester; they stressed all seasonable automotive services, emphasizing lubrication but giving equally generous space to such products and services as anti-freeze, brakes, lights, etc. This

campaign included self-mailing folders, printed cards, blotters, envelope enclosures and letters, and its net result was that "thousands of motorists used Oilzum for the first time," giving dealers one of their best years in recent times.

The Golden Anniversary promotion was staged in addition to the company's regular Spring and Fall campaigns. The latter, which are presented in portfolios to jobber and dealers, give complete plans for stimulating business.

To sell the consumer card mailing campaign, for example, the portfolio advises jobber salesmen to meet the "no business" complaint by asking what the dealer is doing to help business and telling of one automotive service company that realized 44 new customers, representing \$600 in sales, as the result of a six-card mailing. These portfolios show actual samples of all advertising materials and have been instrumental in merchandising the company's many advertising and sales aids.

How Philgas Ran an "Old Range Retirement Sell-ebration"

COMPANY SPONSOR: *Philgas Dept., Phillips Petroleum Co.*

TYPE OF CONTEST: "Old Range Retirement Sell-ebration."

FOR: Specialty salesmen.

SALES PROBLEM: To produce new customers and to replace obsolete ranges in use by current customers.

Sales managers, assistant sales managers, salesmen, dealers, operations employes, even customers participated in the contest conducted during the Fall of 1938 (August 29-October 29) by Phillips Petroleum Co.

There were total performance prizes for each individual member of the sales organization, national prizes for dealers and salesmen, district prizes for operations employes and customers, and weekly mystery prizes for dealers and salesmen.

The contest was supported by direct mail, window displays, newspaper advertising, and billboards.

Rewards were in the form of merchandise prizes, but even this feature was given an interesting treatment.

Adequate ballyhoo was supplied by frequent mailings and by weekly sales meetings at which the mystery prize awards were announced.

The campaign was introduced by a broadside to all Philgas customers, inviting them to go to their nearest Phil-

gas dealer, see the modern ranges, and write a letter of 200 words or less on the three improvements that appealed to them most. A Philgas range and ten secondary prizes were offered for the best letters in each of the 23 districts. And of course the writers were listed as prospects, to say nothing of the names of other prospects secured from them.

Then as a special inducement for prospects to buy during the contest, a liberal trade-in allowance was offered on the three ranges featured. This allowance would be accepted as the down payment and the balance could be paid in small, monthly sums.

Another broadside to the sales organization outlined the purposes and rules of the contest, and this was followed by a merchandise prize catalog (Belnap & Thompson, Chicago) accompanied by a sample of the "mazuma" they were to win and an inexpensive billfold in which to carry it.

Even Santa Claus participated in the sense that one of the slogans used was "Let Philgas Buy Your Christmas Presents!" Several of the mailing pieces stressed this theme. One of these was a folder on the front of which was the challenge, "So! There ain't no Santa Claus, huh? If you

the Autopoint sales force in its first month, 66 salesmen, or 31% of the entire sales force, became members of the '39 Club for February. They had exceeded their January, 1938, sales records in January of this year by 39%. Says C. N. Cahill, Autopoint general manager, on the subject: "Although we are naturally very pleased that 66 men bettered their last year's January sales by 39% or more, we are more pleased to see the large percentage of other men who have also shown appreciable gains. . . ."

These 66 men became charter members of the club, entitled to wear during February a membership button to signify achievement. Officers in the club, to whose membership pins are attached blue ribbons printed with the title of their honorary positions, are also selected on the basis of increase over the last year's record. The term of office lasts for a month, just as membership in the club does, the member showing the largest percentage of gain in dollar volume of sales over his own record for the same month of 1938 automatically becoming president. Vice-presidency goes to the man making the second largest gain, secretaryship to the third and treasurership to the fourth.

The campaign was first announced at the beginning of the year through a mimeographed mailing which went out to every man on the force. This announcement let it be known that the

club had been formed, that it was waiting only for charter members (men who would qualify for membership in January), that there were no dues accompanying membership "except what you owe yourself," and that prizes awarded to each salesman for exceeding last year's sales by the prescribed amount would be "cash benefits in the form of larger commission checks in exactly the proportion in which he expends greater energy in his sales activities to maintain his membership in the '39 Club."

Other bulletins, carrying news of the month's progress, followed from time to time. These were also in mimeograph form and illustrated with catchy drawings characteristic of the contents.

The same plan will carry on through the year, each month providing a new start and a new opportunity for all who have not qualified for membership in the club in the past to do so. With "Over the Line in '39" for the slogan and "He Profits Most Who Serves the Best," each member and would-be member of the '39 Club will be encouraged to pay himself what he owes himself, to wit: "To maintain an attitude of enthusiasm; to know his line and use that knowledge for the benefit of his customer, his company and himself; to work out a plan and follow it; to cultivate a habit of good habits and clean living; and to know when to ask for an order."

Squibb Men Compete for Trips to Golden Gate Exposition

COMPANY SPONSOR: *Pacific Coast Division, E. R. Squibb & Sons, San Francisco.*

TYPE OF CONTEST: Mythical Race to Treasure Island (i. e., The San Francisco Golden Gate Exposition).

FOR: Company salesmen.

SALES PROBLEM: To stimulate salesmen to quota attainment, and to encourage concentration on certain classes of business.

Because the major event in western America this year is the Golden Gate International Exposition which opened in San Francisco in February, W. L. Arscott, Pacific Coast sales manager of E. R. Squibb & Son, has built the Spring contest for his division around a "mythical race" to Treasure Island and the 'Frisco Fair. All Squibb salesmen and three district managers in the eight western states of the Squibb Pacific Coast division will participate in this race, starting February 1 and running to the end of March, competing for cash prizes to be used for the actual trip to the Exposition next Summer.

On January 30, Squibb salesmen in the Pacific Coast area received a map of the western territory. Each man's name was printed on the map where his particular territory was located. From each section of the Pacific Coast division, arrows pointed to the Exposition site in San Francisco. The "Pacific Coast Go-Getters" were told that their "mythical race" to the Exposition would start February 1 "via the sales route," to be measured in "points not miles," with a grand prize of a cash nest egg for the winner's real trip to the Fair next Summer. A second prize, special awards, district prizes (three prizes in each of three districts) and semi-monthly prizes were offered for the successful Go-Getters coming in behind the grand prize-winner, all prizes being straight cash.

Achievement is measured on a point basis, with three kinds of achievement counting: Points for quota attainment; points for factor turnover orders; points for "Plan of Action"

sales. The two latter require explanation.

Each month a selected group of products are featured for special selling attention. These are called "Plan of Action" products. Squibb has also a campaign with wholesalers, in connection with the famous Squibb factor plan, to have orders shipped through jobbers. Points are awarded as follows:

Quota Attainment

For each 1% of quota attained during each half-month period (this means that 100% of quota for a half-month period gives the salesman 1,000 points) 10 points

Plan of Action

For every order containing Plan of Action products 5 points
For divisional leader in "number" of Plan of Action orders sold each half-month 250 points
For divisional leader in "volume" of Plan of Action products sold each half-month 200 points

Factor Turnover Orders

For every factor turnover order sold each month 10 points
For every \$100 of total volume of factor turnover orders sold each month 50 points

If sales do not equal \$100, no points will be awarded and penalties will be imposed.

Penalties for Lopsided Selling

Salesmen sometimes get so enthusiastic over such a contest as this one that they may neglect routine duties in favor of contest activities. To obviate this, penalties were worked out as being fairer than complete disqualification from contest running. Squibb men are expected to make a certain number of calls on physicians in their territory each month. They are also supposed to sell a certain volume of orders through wholesalers under the factor plan. For failure to fulfill these requirements, the men are penalized as follows:

For failure to call upon the required number of physicians during each half-month period, a penalty of 200 points
For failure to sell the minimum volume of factor turnover orders during each monthly period, a penalty of 300 points

The two-month contest period is divided as follows: Four periods running: February 1-14; February 15-28; March 1-15; March 16-31. Prizes are awarded for each period as well as for the entire race.

The grand prize will go to the representative in the Pacific Coast division who leads in total points at the conclusion of the "mythical race." The second prize will go to the salesman who comes second in the race with

CAN

You

MAKE 40,000 CALLS TOMORROW?

*W*o do in a day or a week a task which would take any one company a month or a year—and to do it more accurately and far more economically—is every day work for Ross Federal.

Yes, we can make 40,000 calls for you tomorrow. (That's just over ten calls per day per man. Very likely your particular problem requires more time per interview, would take a little longer. But you see, it is possible!) Whether your problem is market research, inventory checks, sales detailing, placement of advertising displays at point of sale, Ross Federal can do it.

We can do it because Ross Federal's staff of 3,700 trained, bonded representatives in 2,000 cities from coast to coast is instantly available to work for you. These men can cover retail or wholesale outlets in every state in the Union. Ross men enjoy the respect and confidence of the merchants in the cities where they live. They can place premiums and displays for you—check sales and furnish you a daily report from every trading area in America.

If you are a manufacturer or distributor, if you want personal sales and promotion contacts—whether you want to test a town or cover the nation—you owe it to your business to talk with a Ross Federal man.

ROSS FEDERAL RESEARCH CORPORATION

Executive Offices: 18 East 48th Street, New York City

Professional Representatives, all bonded, 3,700 of them from coast to coast



San Francisco's Treasure Island . . . to Squibb winners, a modern version of the golden journey to Samarkand.

total number of points. The special awards go to the divisional leader in Plan of Action points and to the divisional leader in factor turnover order points. Then there are first, second and third prizes each in the three districts, to go to the representative who leads in total number of points during the race, the one who comes second, and the one who comes third. The semi-monthly prizes are for the divisional leader in points each half-month period, with a second prize for the man with the next highest number of points.

Winners of the first and second divisional prizes are not eligible for the district prizes. In these cases, the second highest man in the district producing the divisional leader will become the first prize-winner of the district prize. The grand prize winners are permitted to participate in the Plan of Action and factor turnover awards.

Salesmen selling the full line of Squibb products are credited with all sales of all products sold to all customers. Home Necessities and Professional Products men were given special rules as follows:

Home Necessities representatives credited with all sales of Home Necessities, 50% of all vitamin product sales and 50% of all Angle toothbrush sales, made to all customers except allocated accounts. Professional Products salesmen credited with all sales of professional products, 50% of all vitamin products sales, 50% of all Angle toothbrush sales, made to all customers except allocated accounts. Sales made to allocated accounts are credited to representatives on the basis of the allocations sent them.

Along with the details of the "mythical race" contest, salesmen were sent their personal quotas, broken down as follows:

- a. For the month of February
- b. For each day of February

c. For the month of March

d. For each day of March

with the information that for each half-month period one-half of that month's quota applies. They were also informed of the minimum number of factor turnover orders required monthly and the required number of physicians' calls daily.

The contest was worked out by Mr. Arscott in such a way as to give every man in the territory an equal and a fair chance to make the race and reach the goal. The penalties were determined on the same basis. "Rather than disqualify a man if he fails to fulfill basic requirements, it seemed fairer to set him back a few paces, as in football."

contest staged throughout the month. It resulted in sales per route of more extra pieces of bakery products in a given time than were made by any other like number of wholesale salesmen in this market, in spite of the fact that competition among bakery companies in this area is extremely keen at all times.

During the first week in August Gorman salesmen sold more extra pieces than at any time since 1931.

Without any fancy name, this contest sought principally for extra piece sales. While the company produces a wide variety of breads and doughnuts, it placed no higher value on the sale of certain items as more desirable than others. The aim was to get out more pieces which would, of course, require more calls, more sales work and more concentration upon the entire line. Each piece—that is, each sale of a loaf of bread or a package of half-dozen doughnuts—counted one unit.

It took 60, 80 or 100 units to earn \$1 in cash, the number of units required depending upon the grading of stores according to sales potential. These A, B and C ratings were arrived at between Mr. Curley and the individual salesman during a detailed study of each store. Outlet surveys were made by the company and by the salesman, recording bread sales in dollar value plus the number of pieces of all bakery products in stores. It was thus fairly accurately established to which class a given store should be assigned.

Entering this grading also was the neighborhood covered, since some areas represent greater bread consumption than others. In each case the basic sales quota set was equivalent to a fairly good week, so that the sale of extra pieces would be possible but not too easy.

The contest thus started off following an individual session with each salesman, and daily sessions were held

Bakery Licks Summer Slump with Contest for More Unit Sales

COMPANY SPONSOR: *Gorman's Bakery, Inc.*, Central Falls, R. I.

TYPE OF CONTEST: Unit Sales Contest.

FOR: Bakery men selling to retail stores.

SALES PROBLEM: To eliminate the Summer slump.

The month of August had generally shown a slumping sales curve for Gorman's Bakery, chiefly because a great many of their regular consumers went to Summer homes or away on vacations. While Gorman's covers the cities of Central Falls, Pawtucket, Providence, East Providence and Cranston and all surrounding towns, it had never sought business from Summer colonists, preferring to concentrate on year-round business.

Nevertheless Gordon F. Curley, sales manager, sought some promotion that would enable his 41 salesmen to offset this seasonal loss of business. The solution was found in a Unit Sales

thereafter in the same individual manner. Mr. Curley sought to run this contest on bank style. As a bank depositor consults his bank for a report on earnings, so Mr. Curley sought to make these daily sessions of financial interest to the salesman by showing a daily report of his unit earnings. While these reports were being taken up, Mr. Curley had an excellent chance to discuss the sales work and offer suggestions concerning individual store problems. Total number of units were also recorded daily on a large blackboard so that competition among salesmen was keenly followed.

"This contest, as with most contests," explained Mr. Curley, "was helpful in stimulating salesmen to the point where they went after this extra business—always available but often unobtained. The average salesman is continually building up in his mind many obstacles. He wonders whether the store will prove a good credit account, what sales resistance the dealer will offer, etc., building up a chain of negative thoughts that should be dismissed at once. A contest such as this gave salesmen something to work for, something constructive to think about in place of that chain of erroneous reasoning.

Steps to Improved Selling

Each salesman was given a small notebook to jot down any problems, or any information that has helped him, for the purpose of exchanging this information at sales meetings with fellow salesmen. Thus, we have been able to induce salesmen to think and talk about improved selling technique."

Another successful contest was conducted to keep controllable route costs below a certain average. The bakery has a system of extremely close scrutiny of route costs made out for each salesman in the form of a Performance Slip on which are recorded all expenses broken down and applied to each route. This gave an average route cost, taking into consideration the number of customers, number of stops and similar factors.

To each salesman who kept the controllable costs below a predetermined average the company gave a tire or the cash equivalent. The contest was an important factor in making salesmen conscious, not only of sales, but also of the cost of making those sales.

(Coming, in an early issue: Summaries similar to the foregoing of three more successful contest plans, as sponsored by Bendix Home Appliances, Inc.; H. D. Lee Mercantile Co., and Narragansett Electric Co.—THE EDITORS.)



Every so often a man comes along who looks far beyond his own time, and sees how things ought to be, as E. M. Statler did in the hotel business. He plans and he builds. Soon his ideas put him out in front.

 **HIS REWARD** comes in seeing the entire plane of his business or profession raised higher. He goes on from there. Mr. Statler did that when he "invented" modern hotel service.

 **THIS IS** the Silver Jubilee of the Hotels Statler Company. The Statler ideal of service is twenty-five years old. But you don't measure ideals in years, you measure

them in terms of vigor. We keep ours vigorous through organized research.



STATLER RESEARCH Executives study the changing needs of the traveling public. They look for ways of improving today's hotel services, and try to anticipate what your needs will be tomorrow.



HERE ARE some of the Statler innovations that grew out of Statler Research: Overnight laundry service, certified lighting, free radio reception, inner-spring hair mattress, circulating ice water, free morning newspaper, bed-head reading lamp, Statler Service Codes, full-length mirrors, electric shaver outlets and wrapped drinking glasses.

STAY Hotels STATLER



ST. LOUIS STATLER

EVERY BEDROOM AIR-CONDITIONED



DETROIT \$2.50

BUFFALO \$3.00

CLEVELAND \$3.00

ST. LOUIS \$2.50

BOSTON \$3.50

NEW YORK Hotel Pennsylvania \$3.50

Also Hotel Buffalo \$2.00

Room rates begin at prices shown

Downtown vs. Neighborhood Stores on 19 Items of Merchandise

	Number of "Recent" Purchases	Bought Downtown		Bought in Community Shopping Center	
		No.	%	No.	%
Artificial Flowers	117	83	71	34	29
Books	239	152	64	87	36
Camera	56	42	75	14	25
Cooking Utensils, Knives	242	102	42	140	58
Cosmetics or Perfumes	811	310	38	501	62
Small Electric Appliances	168	94	56	74	44
Furniture	156	109	70	47	30
Ladies' Clothing	938	580	63	348	37
Ladies' Hose	980	442	45	538	55
Ladies' Gloves, Purses	842	537	64	305	36
Ladies' Shoes	984	821	84	343	36
Lamps	168	123	70	45	21
Mechanical Refrigerator	60	34	57	26	43
Personal Accessories	266	194	73	72	27
Radio	134	67	50	67	50
Sporting Goods	150	114	76	36	24
Toys	381	212	59	149	41
Vacuum Cleaner	64	22	34	42	66
Writing Materials	670	191	28	479	72
Total	7,386	4,039	55	3,347	45

Housewives Increase Neighborhood Shopping, Decrease That Downtown

(Continued from page 28)

and, therefore, not under the tax law. Auto dealers in particular claimed the tax sent a big percentage of their business out of town last year. The tax, however, has now been repealed."

Similar reports come from other cities. Several of the New York stores now have branches in New Jersey, Long Island, Westchester, and even as far away as Fairfield County, Conn.

In Chicago the picture is much the same. There the first stores to open branches made the mistake of having small stocks and only a few departments. This did not satisfy suburban housewives, and the branches were flops. The trend today is toward more departments, and assortments that compare favorably with the parent store.

The Detroit picture, according to the SM field editor, is as follows:

"About ten years ago there was a big movement of downtown retailers here to establish branch stores in outlying shopping centers. But then came the depression and some of the branches were closed.

"Detroit has numerous shopping centers other than the principal retail district. Such chains as Neisner,

Grant, Sears, and Ward have stores in such locations exclusively, while the 5 & 10's have stores in the same centers and also downtown. Another chain here, Federal Department Stores, also sticks to the outlying centers. There is thus much shopping in such centers, but I doubt whether there has been any notable increase lately."

A new reason—the frequently forgotten male—is advanced as a motive for Seattle stores' following their prospects out to the suburbs.

"There is a definite trend toward suburban shopping in the Seattle territory. One major department store reflects this in the establishment of branch stores, selling home appliances, in all of the neighborhood shopping centers of the city. The background is that a wife nearly always wants the husband to check on a major purchase and this cannot be done during the hours maintained by an urban store, nor is it easy to find a place to park, even if the husband can leave his work during the day. The branch stores are open evenings by appointment.

"Another large department store has now followed suit, and not only in the Seattle suburban shopping centers, but in some of the small towns nearby. Furnishings as well as appliances are carried in these branch stores."

Among the most rapidly growing industries are those supplying products or services to be used during leis-

ure hours. Nearly all of us have more free time than we had ten years ago, nearly all of us have one or more hobbies which we ride during those leisure hours.

Ross Federal field men are now interviewing men and women in urban areas on their favorite hobbies, what they are spending on them, what they plan to buy this year. The findings will be a feature of the April 1 SM.

Ad Campaigns

(Continued from page 25)

Each club has 25 members, plus 25 more in a junior club. Dues are four Friends Family bread wrappers a week. Members are groomed for broadcasts which feature a variety show, singers, musicians, etc. Participants receive the votes of listeners in the form of bread wrappers. Largest number of votes decides the winners of small cash prizes. Letters to dealers, window strips, and club buttons help merchandise the club.

Station WAAB sent 500 loaves of bread by air express to ad men all over the country bragging about the successful program and giving details. Western Union boys delivered the loaves, which were labeled "the staff of Boston's radio life."

The Higher the Fewer

The average quarter-hour radio program proportionately has about two and a half times as much sales talk as the average hour program, and about one and a half times as much as the average half-hour program, according to *The Billboard*, amusement industry trade journal.

Commercial announcements of quarter-hour serials average 17.8% of the program time—2 minutes, 40 seconds. Hour programs average 4 minutes, 17 seconds, or 6.9%. Half-hour air shows average 10.4%, or 3 minutes, 7 seconds.

These figures were gathered after listening to 101 network programs.

Only the Columbia Broadcasting System limits plugs to 10% of program time, no other network or station having such a limitation. Except for the daytime continued story programs, virtually all programs on all stations stay within this limit.

More Skinless Franks

Visking Corp., Chicago, increases its consumer and trade ads to market more skinless frankfurters—which it neither manufactures nor sells.

Initial space was used last year in *S. E. P.*, *Good Housekeeping*, *Wom-*

men's Home Companion. Now Ladies' Home Journal has been added. National Provisioner, Meat Merchandiser were the trade journals used in 1938. Super Market Merchandising is additional this year. McDougall & Weiss, Chicago agency, is in charge.

Visking makes "cellophane-like casings" for franks, meat loaves, hams, etc. After the meat is cooked the skins are stripped off, are never seen by ultimate consumers. Meat packers, however, will use "skinless skins" if the aforesaid u. consumers clamor for them. Hence the ads.

Point of sale displays and a sound slide film are offered by Visking as aids to retailers.

Most manufacturers of sausages now use Visking cases, but they stick to old-fashioned natural casings for part of their products. Visking hopes eventually to render the rubbery casings as obsolete as perukes.

Minra

Stayner Corp., Berkeley, Cal., is testing "Minra, the Alkalizer Plus," in 1,400 Northern California drug-stores before launching it on a national scale.

Space in the San Francisco Examiner, and seven-day-a-week time on Station KSFO, S. F., offered free samples to consumers at drug stores, and hammered on "quick relief from sour stomach, acid indigestion. Plus providing body minerals that build up alkaline reserve and increase resistance to colds and fatigue."

All the druggists were supplied with free samples, and over 90% of them ordered a stock. Re-orders started rolling in within a week after the first ads broke. Window displays supplemented.

After thorough trials in N. Cal., the company, and agents Erwin, Wasey, will expand to other territories.

Trio for NBC Blue

Swift & Co. transfers its "Sunbrite Smile Parade" which has been heard over 31 NBC stations, to 52 stations of the Blue network on March 2. Thereafter, Thursdays from 4:00 to 4:30 p.m. is the time. Stack-Goble, Chicago, is the agency.

Lewis-Howe Co. presents "Drama Time with Bert Lytell" on 42 Blue stations 7:00 to 7:15 p.m., Fridays, for Tums. H. W. Kastor & Sons, Chicago, is in charge.

Ralston-Purina starts a new period, "Inside Story," on 63 Blue stations March 7. Shredded Ralston is the product, Tuesdays from 8:00 to 8:30 p.m. the time; Gardner agency, St. Louis, in charge.

What do You Want to PUSH in 1939?

NEW PRODUCTS • HIGHER PROFIT ITEMS • NEW OUTLETS
• BETTER DEALER CO-OPERATION • MORE DEMONSTRATIONS • MORE CALLS • MORE SALES • OR WHAT?

YOU CAN DO IT BETTER
with a "PUSH BOOK"



SEND FOR
YOUR FREE
COPY TODAY!

Any plan designed to get EXTRA RESULTS can be made more effective, if you give your sales organization SOMETHING EXTRA for following it. The "Push Book" is designed for that purpose. It furnishes the INSPIRATION and STIMULUS that will get salesmen to do an "above-average" job.

This was proved by companies in 1938 who were able to increase sales from 7% to 48% through the use of "Push Plans" (substantiating figures and names furnished on request), while sales in their industries were generally OFF 10% to 40%.

THE ONLY DOUBLE PURPOSE PRIZE BOOK IN AMERICA

1—PRIZES . . . 800 of them . . . nearly 200 shown in FULL COLOR . . . every item GUARANTEED.

2—INSPIRATION. The only book in its field containing inspiring and stimulating features, such as articles on selling, sales cartoons, etc.



.... make them happen!

Most sales executives have long since given up hope that there is something "just around the corner" that is going to change present selling conditions. They are "making things happen" with the "Push Book."

BELNAP and THOMPSON, inc.

303 WEST JACKSON BLVD., CHICAGO
NEW YORK OFFICE: GRAYBAR BUILDING
DETROIT OFFICE: 2457 WOODWARD AVE.

CREATORS AND PRODUCERS OF "PUSH PLANS"

NOTICE! If you would like to see a complete plan designed for use with the "Push Book," it will be sent on request without charge



"Wicked Advertising"

Editor, SALES MANAGEMENT:

The article by Fred Wright made swell reading. Congratulations!

B. C. DUFFY, *Vice-President, Batten, Barton, Durstine & Osborn, Inc., New York, N. Y.*

Editor, SALES MANAGEMENT:

We would like to have approximately 20 copies of the reprint of Mr. Wright's article "When Does Advertising Become 'Wicked'?"

This is one of the finest articles of its type that I have seen in a long time and I would like to place a copy of it in the hands of every one of our salesmen and executives.

J. M. JONES, *Mgr., Sales Promotion, Walker & Co., Detroit, Mich.*

This "Sho Is Going South"

Editor, SALES MANAGEMENT:

Referring to the Editor's note on page 69 of the January 1 issue of *SALES MANAGEMENT*, I wish you would please send a reprint of the article in that issue which deals with the South as a market, to E. G. Myrick, American Sterilizer Co., Los Angeles, Cal.

It may interest you to know that in line with the expansion of the southern market Mr. Myrick is being transferred to Atlanta to open up a sales office for this company—all of which is in line with the possibilities set forth in your analysis.

H. M. FISH, *Ass't to the President, American Sterilizer Co., Erie, Pa.*

Editor, SALES MANAGEMENT:

May I congratulate you on the very splendid job done by *SALES MANAGEMENT* in publicizing the "Land of Opportunity No. 1."

I have just returned from a trip through several southern cities and know that your efforts are considered by numerous people there as the finest job that has been done in giving widespread publicity to the South and its possibilities for growth.

It is a more comprehensive job than has been done by any other national publication. I agree with your foresight, because I believe that the South and the Southwest will experience a more rapid growth from a commercial and industrial standpoint than any other section of the country within the next 15 to 25 years.

DON M. PATTERSON, *Director, Scripps-Howard Newspapers New York, N. Y.*

Editor, SALES MANAGEMENT:

Please accept my sincere thanks for the splendid manner in which your publication portrayed the South and its many advantages.

Frankly, much of it was enlightening to

me and I have lived in the South all of my life.

We all feel that the South has been badly neglected in the past, and, naturally, your splendid gesture is greatly appreciated.

HARRY STONE, *General Manager, Radio Station WSM, Nashville, Tenn.*

Editor, SALES MANAGEMENT:

... Mr. Salisbury has done an excellent job.

There is an old expression in this part of the country which is used to describe any job well done, or any action which calls for the superlative classification. As the darky said, "That sho is going South!"

On this particular presentation, *SALES MANAGEMENT* "went South" in more ways than one. All the South needs is a hard-boiled appreciation of what is in this section, and the separation of facts from legend.

J. T. GRISCOM, *Advertising Director, The Nashville Banner-Tennessean, Nashville, Tenn.*

Editor, SALES MANAGEMENT:

We southern business men greatly appreciate the publicity given to the South in your January 1 issue ... Your magazine is invaluable, but this particular issue, dealing with a subject so close to our hearts, was especially welcome.

We have discussed the information contained in the issue at the Sales Managers Council of the Association of Commerce and at some of the luncheon clubs, and you may rest assured that general appreciation is evident throughout the business circle.

C. C. WALther,
Sec-Treas. & Gen. Sales Mgr., Walther Bros., Inc., New Orleans, La.

(*SALES MANAGEMENT*'s first 10,000 reprints of the much-commented-upon feature on the South as a market were exhausted within five days of their delivery. A second run was made, and a few hundred are still available to any who want them. The price is 15 cents each.—THE EDITORS.)

Package Panning Called Sound

Editor, SALES MANAGEMENT:

May I congratulate you on the very able way in which you carried out the package and container research.

As a housewife, long before I was an advertising woman, I have great sympathy for the situation and feel that your conclusions are extremely sound. I feel that you could have gone even further than you did and brought in the undesirable cereal packages which are made tall and thin and tip over, and do not give the name of the product on the thin end. A housewife does

not put cereals on her shelf in the same way a grocer does, flat end out; she usually puts them thin end out, and reaches for the one she wants by its position rather than by its name, since the name cannot be found conspicuously on the thin end of all such packages.

Also, it is annoying to have Lux, Rinso, Kellogg's corn flakes, and such packages, half full and open, tip over on the shelf. It would be so much better if they were a little more squat.

Another point that container manufacturers should consider is just exactly how the product is to be used. . . . Take a number of canned puddings. The directions say to heat the pudding in the can in boiling water, and then open the can (and, incidentally, scald yourself) . . . If the pudding is taken out and put in either a cloth or a parchment paper, then steamed, the results will be very satisfactory and far less troublesome.

Thank you for your very constructive articles. You are doing a grand job and it is greatly appreciated.

LUCILE H. SHOOP, *Adv. Dept. Copy Chief, The Christian Science Monitor, Boston, Mass.*

Prunes Have Been Present

Editor, SALES MANAGEMENT:

In your issue of February 1, 1939, you refer to the Prune Pro-Rate and state that "Prunes have been unadvertised since 1934-35."

This is quite likely to give a wrong impression. Not since 1934-35 have prunes enjoyed a general commodity campaign, but our client, California Prune and Apricot Growers Association, has steadily advertised its Sunsweet "tenderized" prune for eight years without a break, and is right now carrying on a newspaper campaign in some 30 markets.

ALVIN LONG,
Long Advertising Service, San Jose, Cal.

Salesmen's Auto Expenses

Editor, SALES MANAGEMENT:

What is the latest current practice in respect to salesmen's automobile allowances? Have you any recent study or material available on this point?

C. W. BROWNE, *Mgr., Marketing Service, United States Printing & Lithograph Co., Cincinnati, Ohio.*

(To Reader Browne and a score of others who have made a similar inquiry since the first of the year: Most recent data on auto expense appeared in *SM* for October 10, 1938. Another survey will be made some time during the Summer months, results of which will appear in a Fall issue.—THE EDITORS.)

Arms for a Good War

Editor, SALES MANAGEMENT:

Beginning on page 26 of your February 1 issue, there is an article entitled, "How One Hardware Jobber Arms His Dealers to Fight Price Competition." We should like to obtain, if they are available, 40 reprints of this article. If the reprints are not available, may we have your permission to reproduce the article by photo-offset process, for distribution to our own salesmen?

E. V. CREAGH, *Sales Pro. Mgr., American Chain & Cable Co., Inc., Bridgeport, Conn.*

(Sorry, no reprints. Permission to reproduce gladly granted.—THE EDITORS.)

SALES MANAGEMENT

READER RESPONSE from an Active Buying Market

*The soda fountain operators who sell more than a
BILLION DOLLARS
worth of their products annually read and respond to
SODA FOUNTAIN
M A G A Z I N E*

the only publication devoted exclusively to the field. During the course of an average year we receive more than 8,000 communications from chain and independent fountain-luncheonette owners, operators and managers.

Within two weeks after the January issue of SODA FOUNTAIN MAGAZINE was off the press we received 432 requests for further information on remodeling and modernizing fountains — which was the dominant theme of that particular issue.

The following excerpts from two of the letters received are typical:

H. E. Steel Co.
Huntingdon, Pa.

"In December our building and store in which it was located was completely destroyed by fire. We are now building it again and will have our room ready for occupancy April first. However, we will make immediate decisions on most equipment. We should have information on the mentioned items at once."

Yours truly,

H. E. Steel Co.
William Steel

St. Regis Hotel
St. Regis, Montana

"I now have a small place of business — hotel-bar and fountain, in a small town — my place is off the new highway (No. 10). I am going to build a new place on the highway next summer. Your magazine illustrates so many products that I will need . . . you will put an owner in touch with dependable source of supply. . . .

Sincerely,

A. J. Malone
St. Regis Hotel

The current (February) issue is largely devoted to new equipment and is bringing in hundreds of requests from readers who desire more detailed information on new products for use at their fountains.

This issue is so well regarded that in one mail three letters, all dated February 21st, were received requesting extra copies. Excerpts from them read as follows:

Cunningham Drug Stores, Inc.
Detroit, Mich.

"Would you be kind enough to send me twenty additional copies of the above issue? Thanks very kindly for your cooperation and interest."

Very respectfully yours,
Cunningham Drug Stores, Inc.
Harry K. Armstrong,
Director Soda Department

Talbott's Ice Cream Co.
Binghamton, N. Y.

"If it is possible, I would like to get ten extra copies of the February issue. If there is a charge for them, send the bill to the above address."

Yours very truly,
R. F. Talbott
Talbott's Ice Cream Co.

Service Pharmacy
Washington, D. C.

"I have been reading the Fountain Magazine for some time and found it to help us a great deal in the management of our soda fountains. If it is possible would you mail a copy to each of the managers personally?"

Very truly yours,
Service Pharmacy
Morris G. Goldstein

Earlier we had received more than a half dozen similar letters requesting extra copies of this particular issue from manufacturers, jobbers and fountain operators. If you manufacture equipment for the fountain-luncheonette or make or process any of the supplies used at them, it would pay you to place your advertising message in

SODA FOUNTAIN MAGAZINE

420 LEXINGTON AVENUE, NEW YORK CITY

333 North Michigan Avenue, Chicago, Illinois 29 East de la Guerra, Santa Barbara, Cal.

Marketing Flashes

[Illustrating in Technicolor How to Hook-on to a]
National Drive—A Batch of Young Products Bow In

Incorporated Monks

Fathers of the French Chartreuse Monks, "whose lives are devoted to study, prayer, and the making of the famed Chartreuse liqueur," have formed a corporation in the U. S. to "protect their property rights and the rights of the consuming public."

Organized as Chartreuse Corp., under N. Y. state laws, it will prevent the "pirating and plagiarism of the name and fame" of the centuries-old liqueur. Recently there have been a lot of counterfeiters of the label, trade-mark, and even of the liqueur. The Fathers carefully guard their secret recipe, which goes back to "at least the known date of 1605." Schenley Import Corp., N. Y., handles sales in this country.

Société Anonyme de la Benedictine, of Fecamp, France, looks after the legal rights of the Benedictine Monks, and Julius Wile & Sons Co., N. Y., imports their priestly liqueur. Its recipe is even older than Chartreuse—1510. So far as Wile officials know, that is the oldest trade-marked product in use today.

Would-be imitators of either had better realize that they are dealing with corporations learned and skilful in the law, and not with unworldly monks telling their beads.

Automatic Telegraph

Senders of telegrams in a New York hotel and an office building may press a button on a small wall cabinet until a panel reading "Deposit message" lights up. The telegram, which is typed or written on a special form, is dropped in face out. That's all the public needs to do.

But meantime, the form has been wrapped automatically around a transmitting cylinder revolving before a photo cell, and sent to the main office of Western Union Telegraph. Another panel, "Message being transmitted" glows during this. Next a "Thank you" appears, and the original telegram is automatically peeled from the transmitting cylinder and dropped into the bottom of the cabinet.

Upper left-hand corner of the telegraph form is cut off so that it is impossible to insert it incorrectly. The method is made possible by the patented carbon-bearing fibrous paper developed by WU's laboratories. (See

SM, February 1.) It will send 15 square inches of matter in one minute, believed to be the highest speed attained so far in facsimile telegraphy.

Not too far off, WU officials see automatic telegraphy superseding present telegraph printers, just as the latter out-moded Morse's simple dot-dash key.

While the Sun Shines

Monsanto Chemical Corp., St. Louis, announces a chemical preservative which eliminates drying and curing of hay, and enables the hay to be stored in ordinary silos without danger of spoilage or spontaneous combustion.

The new method employs a form of phosphoric acid, and can be used in wet weather. Thus chemistry robs an old saw, "Make hay while the sun shines," of its meaning. Formerly from 10 to 100% of a hay crop would be ruined by Jupiter Pluvius.

Hay treated with phosphoric acid, according to Monsanto, "gives an added supply of mineral phosphorus to the diet of cattle . . . important in building healthy nerve tissue and bones." You guessed it, the ad copy-writers will probably go into high gear on "vitamins for your cow."

Eureka Range

Eureka Vacuum Cleaner Co., Detroit, long a big name in that field, has added a portable electric range to its line, to be made and sold by a separate division.

The range has "exclusive patented

cooking surfaces that fold up when not in use, current limiting switches and automatic oven control." It can be plugged into any convenient outlet, and will "do everything—broil, bake, fry, etc." Porcelain enamel lined, white exterior, and black plastic door and carrying handles give it eye appeal. Price is \$39.95.

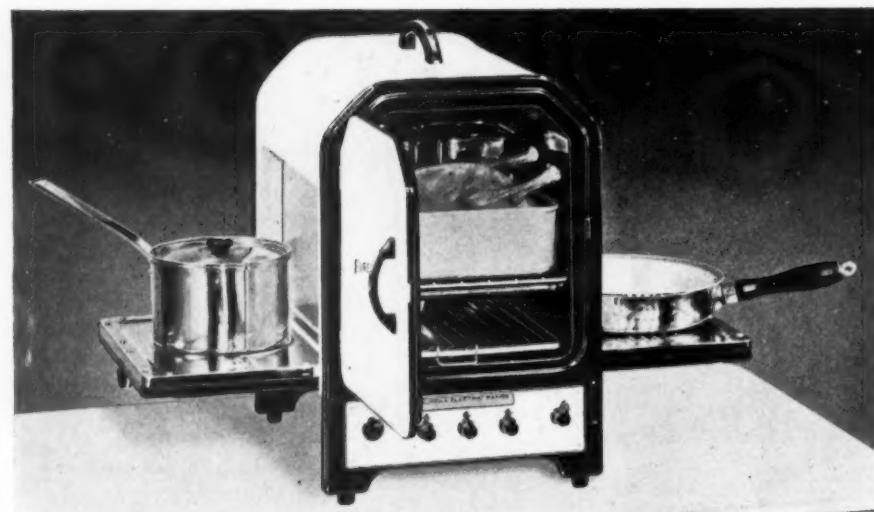
"Millions of women have been denied the advantages of electric cookery because of high initial cost and special wiring installation," says Eureka President Fred Wardell. George H. Wilkens will work under him as s. m. of the new range division. Mr. Wilkens was formerly s.m. American & Foreign Power Co., Duke Power Co., and Commonwealth Edison, of Chicago.

Coats Off

Visking Corp., Chicago, besides running the first and only national campaign to sell sausage and related meats to consumers (see "Advertising Campaigns" this issue), is releasing a sound slide film to sausage manufacturers.

Called "Coats off for Profit," this emphasizes the value of packaging meats to compete with other ready-to-eat foods that beckon housewives in stores. Point of sale material which Visking provides for sausage makers to tie-in to the national drive is presented in the film in Technicolor. In less than nine months 2,000,000 of these display pieces have been ordered by Visking customers.

Another display pictured in the film is a "Taste-It" unit which may be placed anywhere in the store. On it are placed sausage or meat tid-bits with an invitation to sample them. As the film shows, most meat departments are in the rear of stores. With the "Taste-It" up front, a sausage maker



This low-priced electric stove folds up for portability.

can get the jump on rival foods.

Purpose of the film is, of course, to sell more Visking casings. It accomplishes this purpose by pointing out a distinct need well recognized by the audience, proposes a proved answer in the use of good point-of-sale material, and then illustrates how Visking casings chime in with that answer.

All New

"Zein," a new plastic developed from corn waste, will be turned out by Corn Products Refining Co. in a new \$200,000 plant in Pekin, Ill. Zein's first use is for coating or glazing fine paper. Additional research, it is expected, will disclose other uses: Radio dial knobs, door handles, instrument boards, and similar plastics. Corn plastics will compete with soy bean plastics. The state of Illinois holds first rank in production of corn sugar, and also soy beans in the U. S. Last year half the country's soy beans were grown in Illinois.

General Shaver division of Remington Rand, Inc., Bridgeport, Conn., has introduced a sterling silver version of the Remington "Close-Shaver" electric razor to retail for \$50. The case is of ebony morocco, satin lined, and there's space on it and the razor for initialing.

Grapefruit juice bread, two ounces in every loaf, has made its bow in Florida. "Reacts like buttermilk in bread. Stays fresh longer and will not mold. Will solve the problem of surplus crops."

Suri

Kuppenheimer & Co., Chicago, maker of men's clothes, introduce a new fabric for top coats and sports coats. It's made from the fleece of the suri, a close relative of the South American llama. One of the main selling points of this suri cloth is its soft, silky feel.

A swatch of the cloth will be fastened to the outside of hundreds of store windows carrying the Kuppenheimer line. Inside each window is a suri, a goat, a lamb, and an alpaca, clothed in the height of fashion. The suri holds in his fore hoofs a brush (for combing his long hair) and a hand mirror. He moves, gesticulates, and talks to the other animals. He points to a flasher which lights the words, "Feel it," and points again to the swatch of fabric. He gloats over the other animals, pointing out his superiority for clothes.

Kuppenheimer hesitates to claim a "first," but cannot think, offhand, of another window with sight, sound, and touch.

HOW ABOUT YOUR SALESMEN



...AT THE POINT-OF-SALE?

Regardless of what or how you sell, your salesmen's vital 20%-actual-selling-to-customer-time can be made more productive with the SALEMASTER.

Too many sales stories collapse at the point-of-sale because salesmen are so loaded for bear they usually spill out the story in gushes—no rhyme, no reason. The result?—lost orders!

But, now, you can establish the sales rhythm that gets orders—you can make sure your salesmen keep on the track—with the new Salemaster! Here zipper closed into a single handsome leather unit is your visual step-by-step sales story—from approach to order . . . a loose leaf catalog and price list—always right—up-to-date—complete—inexpensive to maintain! That's the SALEMASTER!

TWO FREE BOOKLETS:—Whether you sell house-to-house or office-to-office you'll profit from the thoughts on visual SALEMASTER selling contained in "Of Men And Mouths" and "Promoted From The Brief Case Brigade." Write today for your free copies. See how you can increase the effectiveness of YOUR salesmen at their point-of-sale!

Some Users of Remington Rand
Point-of-Sale Visuals

Norma-Hoffmann Bearings Corp.
Coca Cola Company
Aluminum Company of America
Globe Ticket Company
Liquid Carbonic Company
Western Casket Company
Kol-Master Corporation
Frankfort Distilleries Inc.
Colonial Beacon Oil Company
Crane Company
Johnson & Johnson
Buffalo Niagara Electric Company
Baton, Barton, Durstine & Osborne
New York American
Standard Oil Company
Tennessee Eastman Corporation

For Sales Catalogs that Increase Sales and Decrease Costs

Write—

LOOSE LEAF DIV.

Remington Rand Inc.
Buffalo . New York



Some business biggies have a perfect genius for saying the obvious, such as: "Before there can be any real prosperity in this country, we must increase the purchasing power of the masses." But they don't say *how*.

* * *

In his "Tales of Hoffman" column in the *Hollywood Reporter*, Irving Hoffman says Orson Welles could be billed at the World's Fair as "The World's Scare." Fair enough.

* * *

Add orphan brain-children: "Highways are Buyways," suggested to a big outdoor advertising company by W. H. Corwin, of Rochester. They likee but no takee.

* * *

Complaint: George Pancoast Millington, of *Better Homes & Gardens*, says he hasn't been mentioned here in a coon's age. Well, I have now mentioned him, just run-of-millington.

* * *

I said here recently that Remington Rand or somebody should invent a word-counter for us key-punchers. Before I could type "Now is the time for all good men," etc., RR wrote me that there was already such a device, and they were sending me one without charge, except for installation. It's now on the little Remington Noiseless and counting-off in great shape. It Pays to Advertise . . . in SALES MANAGEMENT.

* * *

Accepted: By a maker of condensed soups, my name for his news-broadcast: "Condensed News."

* * *

I think I'm going to like the new Kellogg Sunday-night program. Groucho Marx got off to a good start, thus: "Are you the janitor around here, Ravelli? What do you hear from the mop?" The rest of it is a little serious and sophisticated, but beginning to jell nicely.

* * *

Slogan for the Outdoor Association: "It's a long road that has no earning."

* * *

Overset: "Nature paints her August gardens brilliant green and red. She blesses them with sunshine and caresses them with rain."

* * *

A cryptic correspondent, identified currently as "f. s.," twits us pleasantly

[56]

on future-tensing the popularity of "Confidentially, it stinks!" I dug up an alibi, but, confidentially . . .

* * *

I think that if I were a dealer with one store in one town, and the advertiser's ambassador-with-portfolio came in to show me all the pretty pages his firm is going to run, I'd have to ask: "Why talk to *me*, about 'national advertising'? How does it break down *locally*?"

* * *

Stretching the imagination, a crock of marmalade is a "bitterjug."

* * *

The theme-song of the Depression will probably be recorded as: "Take a Number from One to 77B." And the most popular Greek-letter fraternity will be remembered as: "Iota Omicron Upsilon."

* * *

Can any old-timer supply the missing line in this song?—

Oh, Mister Captain, stop the ship,
I wanna get off and walk.
I feel so flippy, floppity, flip,
I'd rather be back in Noo Yawk.
Te dumty dum, te dumty dum,
I'm tired of the raging main.
Hi! Hi! Bring me a cab,
I'll never go there again.

* * *

And you need not be an old croaker to remember the golden age of opportunity in America, when you would ask: "What does Kenneth plan to do after graduation?" and his proud pappy would reply: "Oh, he's considering four or five offers." Them days are gone forever.

* * *

Incidentally, what ever became of the phrase, "6% interest"?

* * *

Procter & Gamble topped all advertisers in 1938 with an expenditure in excess of eight million dollars. They must be cleaning up!

* * *

Short-sighted management never learns that you can break the spirit of a race horse by hitching him to a plow, instead of giving him his head on a fast track, where he can pit his special abilities against the field.

* * *

Our own radio quiz: A business man leaves his office, which faces north, turns right and walks two

blocks, buys a newspaper, retraces his steps but does not stop at his office, going two blocks beyond, then turns left and ducks into a drug store, where he buys a Coca-Cola. Who was that lady I seen him with the following afternoon?

* * *

Seriously, I find the quiz program quite educational. I try to listen to all of them. Recently, in a magazine quiz, I discovered a synonym for "fog" which must have been in my dictionary all the time. It is the word "brume," and I immediately tried to fit it into a sentence: "The brume swept in from the sea." Just in fun, of course.

* * *

Phil Schwartz wants to know why there is always just enough news to fill a newspaper. Sometimes there isn't, Phil, and they have to put in some ads.

* * *

The Mefoofsky influence: "Rist and Dork were takink it easy in their neighboring cabins."—News-item in the *N. Y. Times*.

* * *

Slogan for World Broadcasting Co.: "Platter Service."

* * *

We were listening to *Hobby Lobby* and the bally on Fels-Naptha soap chips. "They really do get out the hidden dirt," agreed the girl-friend. "Do we use Fels-Naptha soap chips?" I asked. "No," she said. "What do we use?" I continued. "Silver Dust," she replied. "Why?" I pursued. "We get free dish-towels with Silver Dust" she said. Apparently we go for premiums at our house.

* * *

Oleson & Johnson, of "Hellza-Poppin," have a choice bit of slang which they call "gonk." They define "gonk" as "hokum with raisins in it."

* * *

When you need an excuse for being on the wagon, say you did it for the wife and kidneys.

* * *

Dan Daniels thinks Schick might show the House of David ball-team with the headline: "A Schick in time shaves nine." Are you feeling all right, Dan?

* * *

Bill Cameron philosophizes in a few, well-chosen words: "Heed not the rattle of gear. The strutting drum-major, bedight as the green Yule tree, makes never a note of music."

* * *

"Nude Nuptials on Mountain Top O.K.'d for Colorado Couple."—Headline. A natural (or do I mean *au naturel*?) would have been New York's Bear Mountain!

T. HARRY THOMPSON.

SALES MANAGEMENT

ACCOMPLISHMENT

Protection and preservation of the splendid recreational beaches which form one of Southern California's greatest attractions, are the result, in large measure of the Los Angeles Examiner's vigorous campaigns. The Examiner fought for and won the movement which prevented oil drilling in the beach tidelands. It fought for and won the setting aside of great beach areas as State Beach Parks, to which end a \$6,000,000 bond issue was voted in 1928. In fact, every project and policy responsible for Southern California's growth during the past 35 years originated with or was strenuously championed by the paper that gets things done, the . . .

LOS ANGELES EXAMINER

Represented Nationally by
HEARST INTERNATIONAL ADVERTISING SERVICE

Rodney E. Boone, General Manager

No. 8 of a Series





FTC Includes Agencies in Copy Scrutiny

Under the new policy adopted by its Radio and Periodicals Division, the Federal Trade Commission has extended its scrutiny of advertising copy to agencies as well as advertisers, and will hold both jointly responsible in cases of allegedly false or misleading advertising claims. The new ruling, however, exempts the agencies from criminal penalties but holds them liable for civil penalties, if, in preparing copy, they violate the Wheeler-Lea Act.

From now on, in instances of offending advertising claims, the Radio and Periodicals Division assumes the right to ask the advertiser, whose copy is under observation, whether or not an agency prepared the copy. When such is the case, FTC will send the agency a form questionnaire to determine to what extent the agency is responsible for copy preparation; and when the latter is found "materially responsible" FTC plans to employ the same civil procedures as those used against advertisers. Both procedures, however, will be conducted separately.

To date, no agencies have been questioned as to their participation in the preparation of such copy, but henceforth those under fire will be asked to "inform the Commission of the nature of your relations with this advertiser in regard to such advertising, stating to what extent, if any, the advertiser participated in or gave directions as to the preparation of the advertising copy actually used; and if your employment was under written contracts, please state the dates of beginning and expiration thereof.

"Also please forward . . . specimen copies of proof sheets of all advertising relating to the aforesaid product which you have prepared, or participated in the preparation of, and placed for publication during the last six months, together with copies of all booklets, folders, circulars, form letters and commercial continuities for radio broadcasting.

"Please give us the names of the periodicals, with dates of publication, and of the radio stations with dates of broadcasts covering the publication of such copy."

Chief of the Radio and Periodicals Division of FTC is P. B. Morehouse, a mild-mannered gentleman who shares with old-fashioned school teachers the belief that the sight of a stout birch rod in the corner is a deterrent to crime.

JWT Surveys Argentina

The Buenos Aires office of J. Walter Thompson Co. recently completed a survey of the buying power of Argentina for its clients (of which it boasts a sizable number in the South American republic) which attributes 64.15% of the buying power of

the country to the province of Buenos Aires, including the capital city of the same name. Based, among other things, on population, income taxes, telephone subscribers and car owners, the survey shows a breakdown of the country's 23 provinces.

Among the South American clients handled by the agency in addition to the accounts of its major American clients (Pond's, Kellogg, Scott paper, J. B. Williams Co., etc.) are Fleischmann Argentina, Inc., Neumaticos Goodyear, S. A., General Electric, S. A., General Motors Argentina, Inc., and Calico Printers Association of Manchester, England.

Agency Notes

The ninth annual convention of the National Advertising Agency Network, headed by Oakleigh R. French, president of the St. Louis agency of the same name, is scheduled to be held in St. Louis, June 1-3.

Robert June and John D. June, Detroit, have formed a new advertising agency, June & Co., to handle, among others, the following accounts: American-Marsh Pumps, Inc.; Clipper Belt Lacer Co.; and United Engine Co.

The name of the Cincinnati firm of Douglass Allen & Leland Davis, Inc., has been changed to Allen, Heaton & McDonald, Inc. The corporate set-up of the

In this ad in the March, 1936, issue of *Fortune*, Erwin, Wasey & Co. made a bid for an air account. Last fortnight they got one — Air Transportation Association of America — partly on the strength of that three-year old ad, included in its presentation. Copy, prepared by Owen B. Winters, reads, in part: "It's only overnight to California along the Milky Way. . . . Surely it is time more of the earth bound millions were taking wings. . . . Who would crawl when there are swift wings to bear him safely to his destination? Good advertising can fill every seat in those silver planes."

agency remains the same, it was said, with Douglass Allen as president. Ralph Heaton has been made vice-president in charge of copy and art; Donald McDonald vice-president in charge of merchandising. Other personnel remains the same: Templeton Briggs, treasurer; J. L. Quigley, secretary and general manager, and H. B. Thompson, production manager.

James Thomas Chirurg Co., Boston, and Leo Burnett Co., Chicago, are among the agencies recently expanding office space.

Account Appointments

To: *Doremus & Co.*, Bird & Son, East Walpole, Mass., manufacturers of hard surface rugs and floor coverings; *New York & Cuba Mail Steamship Co.* and *New York & Porto Rico Steamship Co.* . . . *Brooke, Smith & French, Inc.*, Detroit, Goebel Brewing Co.

 . . . *Rickerd, Mulberger & Hicks, Inc.*, Detroit, Wayne County Federal Savings & Loan Co. . . . *Brown & Tarcher, Inc.*, the American Agency of French Vichy, Inc., general distributors in the U. S. of Vichy Celestins, bottled alkaline water.

To: *Needham, Louis & Brorby, Inc.*, Chicago, National Trailways System, an association of 37 bus lines. . . . *James Thomas Chirurg Co.*, Boston, J. A. Wright Co., manufacturers of silver polish. . . . *Vanderbie & Rubens*, New York, trade paper advertising of Julius Schmid, Inc. . . . *O. S. Tyson Co.*, New York, Richardson Scale Co. . . . *Badger & Browning & Hersey, Inc.*, Mathieson Alkali Works.

People

Trell Yocom has resigned as manager of the new business department, Young & Rubicam, to join Compton Advertising, Inc., as vice-president and director of the agency. He assumes his new post April 15.

Fuller & Smith & Ross, Inc., has announced the appointment of S. James Andrews as account executive of the agency, effective immediately. Formerly advertising manager of Federal Motor Truck Co. and later an account executive at Brooke, Smith & French, Inc., both in Detroit, Mr. Andrews



WINGS FOR SALE

It is only overnight to California along the Milky Way. Surely it is time more of the earthbound millions were taking wings. Man has crawled through the ages, but those who find courage to leave the ground for the first time soon learn the true secret of flight. What they once regarded as an hazardous adventure they find to be only a brief and tranquil interlude between leave-taking and arrival. There, suspended on the wind's breast, they ride twelve thousand feet above the Mother Earth and watch the glorious panoramas of states roll by. Who would crawl when there are swift wings to bear him safely to his destination? Good advertising can fill every seat in those silver planes.

ERWIN, WASEY & COMPANY, INC., Advertising

GRANARY BUILDING, 120 Lexington Avenue, NEW YORK
CABLES: ERWINWASEY. TELETYPE: 24000. CABLES: ERWINWASEY. TELETYPE: 24000. CABLES: ERWINWASEY. TELETYPE: 24000.

has long been associated with the advertising agency business. In 1932 he founded the Chicago branch of Buchanan & Co., and remained there as vice-president and general manager until 1937.



Associated News

S. James Andrews
... to F&S&R as
account executive.

William M. Engelmann, formerly space buyer and office manager of Pedlar & Ryan, New York, has joined Abbott Kimball Co., same city, as head of the media department.



W. M. Engelmann
... space buyer to
media head.

Loyola Guerin, who is in charge of planning and coordination of market research, sales promotion and advertising policies of G. M. Basford Co., New York, has been appointed assistant to the president. Mr. Guerin joined the executive staff of the Basford agency in 1936 and prior to that time was engaged in market research work for McGraw-Hill Publishing Co. and General Motors Corp.



Loyola Guerin ...
to assist Basford
president.

With the announcement of the appointment of Erwin, Wasey & Co. to handle the \$300,000 a year account of the Air Transportation Association of America, Chicago, several changes were made known in the management of the agency's Chicago office. Homer McKee has been made vice-president in charge of the Chicago office and W. L. Marshall has been transferred from New York as a vice-president. C. R. Vail, formerly manager of the Chicago office, has been recalled to New York to handle a special assignment.

Barron Advertising Agency, Greenville, S. C., has announced the addition of two new members to its staff. Miss E. L. Harris, formerly of New York, has joined the agency as secretary and treasurer, and James Dawson, recently connected with Gottschaldt-Humphrey, Inc., Atlanta, has been named head of the copy department.

MARCH 1, 1939

Announcing

AN IMPORTANT NEW SERVICE



BOOTH Michigan NEWSPAPERS

Grand Rapids Press
Flint Journal
Saginaw News

Bay City Times
Jackson Citizen Patriot

Muskegon Chronicle
Kalamazoo Gazette
Ann Arbor News

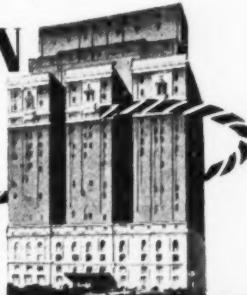
Here's Your
PITTSBURGH
Hotel

Luxurious rooms, 1600 of them! Every one with
private bath, circulating ice water, modern and com-
fortable furnishings. Many rooms air-conditioned.
Five restaurants. Rates from only \$3.50 single.

HOTEL WILLIAM PENN

PITTSBURGH
GERALD P. O'NEILL, General Manager

NEW YORK OFFICE, 11 WEST 42ND STREET





"Heads it's 'Moon Madness,' tails it's 'Flaming Hour.'"

New England Gas Association Sponsors Cooperative Training

The "Sales Development Program" initiated by the NEGA has been widely used by gas companies as a basis for improving the sales efficiency of hundreds of gas appliance salesmen.

A COMPREHENSIVE, self-supporting sales development program introduced by the New England Gas Association nearly a year ago has been used by practically every sales manager and by 95% of the gas utility salesmen in New England, with a resulting gain in selling efficiency.

Since they were first distributed, 820 inch-thick manuals, entitled "Sales Development Program," have been sold to New England gas companies at \$7.50 a copy. So widely has the news of this program spread throughout the industry that 125 copies have been sold at the same rate to gas companies outside the area, including several going to foreign countries.

Sales managers and supervisors of gas companies in New England are certain of its success. Summarized, they report salesmen have improved their routine methods, selected prospects more carefully, learned to drop poor prospects more quickly, and acquired a

sales technique that has enabled them to meet resisting arguments of their prospects more effectively. For older salesmen, it has been a means of reviewing in logical sequence the methods of modern selling; for younger men, it has provided the equivalent of years of experience. It has also relieved gas companies of the expensive and tedious task of devising their own sales training programs.

For several years it had been apparent that some such program was desirable, because gas companies sought to add to the knowledge of their salesmen as a means of meeting increased competition in the fuel and refrigeration fields, and manufacturers looked to such an activity to increase sales.

Accordingly, in the Summer of 1936, after members of the Manufacturers Division of the New England Gas Association had appeared before the directors in the interest of such a sales training venture, a committee comprising the directors of the sales

division and the directors of the manufacturing division was appointed to study the situation.

One of the committee's major decisions was that a standard salesmanship course of the type on the market, or even a revision of such a course, was not desirable. It was desirable to have an original, detailed and comprehensive course applicable to the gas industry, one that would be of use over a comparatively long period of time; and one that would present the various methods of solving a given problem, leaving it to the salesman's judgment to decide which method he should use for a particular instance. The course also should be one that could be put into practice by the sales manager or supervisor of each company. A final requirement was that it should be devised by an outside, independent agency.

The job of making up the program was turned over to the Bureau of Business Research of Boston University College of Business Administration, which developed and copyrighted the entire course in its own name and that of the Association. Representing the University were Ralph G. Wells, director of the Bureau of Business Research, and John S. Perkins, Bureau statistician; for the Association were Carl H. Cummings, chairman of the Regional Sales Education Committee; and Clark Belden, executive secretary.

Basis: A Brass-tacks Textbook

The finished product is a six-by-nine-inch printed and indexed book, minus illustrations, but crammed with factual information. The book contains a foreword of inspiration by R. L. Fletcher, president of the New England Gas Association; an introduction by Dean Everett W. Lord; a Time Analysis Chart (for use by salesmen to outline their day's work by 15-minute periods with space for summarizing the hours spent on new and old prospects, travel, office work, meetings, lunch, loafing, evening appointments and studying and planning); and 21 chapters titled as follows:

1. Should a Salesman Study Salesmanship?
2. What Should a Salesman Study?
3. Twenty-Four Conclusions Regarding the Trends of Gas Appliance Selling
4. Appliance Selling as an Educational Process. Wherein salesmen are told the need of educating the prospect along certain well defined steps
5. What Factors Influence Purchases?
6. Working Methods Mean Failure or Success
7. Good Prospecting Facilitates Good Results. Here salesmen are taught the varied ways of developing and maintaining prospect lists





More for your MONEY in the ROTO SECTIONS



Retail advertisers measure every line of space and every promotion against the sales it produces. And unless those sales are both satisfactory and immediate . . . well, they don't make the same mistake twice.

Therefore, when such an outstanding retail store as the H. & S. Pogue Company, whose story is detailed on the next page, waxes enthusiastic about newspaper rotogravure, common sense suggests that if you're buying space from the standpoint of profits—it will pay you to add rotogravure to your list.

Kimberly-Clark Corporation
Established 1872 • Neenah, Wisconsin
8 South Michigan Avenue
CHICAGO
NEW YORK
122 East 42nd Street
LOS ANGELES
510 West Sixth Street

Aggressive retailers say rotogravure gets results

THE H. & S. POGUE CO.
Cincinnati, Ohio

February 10, 1938

Kimberly-Clark Company
Chicago, Illinois

Gentlemen:

After the experience of planning over seventy-five consecutive Roto-Gravure Ads run during the course of the past year and one-half, I can say that the results we have secured have been considerably better than in any other type of advertising. The distinctive nature of Roto-Gravure Advertising has succeeded in establishing a definite identity in the mind of the consuming public, which I believe no other advertising medium would have accomplished so effectively.

The dramatic possibilities in Roto-Gravure presentation and the superior reproduction of the merchandise through this medium are so great that it fully justifies the additional expense.

In order to take full advantage of this medium a program must be planned over a longer period of time as individual ads at wide intervals will not secure the best results.

Yours sincerely,

Hooper
Merchandise Manager
Home Furnishings

Enduring MODERN POGUE'S Fall Homefurnishings Opening

What is Enduring Modern? It is a definitely new style in furniture and home decoration, yet its origin is as old as the 18th Century from which it takes its simplicity of line . . . as old as the Colonial period which inspired its strength and utility. Slowly evolved through the past decade this new Modern has now come of age, to take its place among the long established periods in furniture.

You will like this Modern because it is beautiful as well as practical, as comfortable to use as it is pleasant to look at. It is refreshing, flexible, varied, and as soundly designed that it can be combined pleasantly with furnishings of other periods. Most important of all: Because it has evolved slowly, and because it is keyed to American living, this new Modern is a style not just for today or the next few years, but for years and years to come.

Right:
Blended mahogany sofa, with
low back, 120" long. Colors
in light reddish and coral
\$100 each. Lamp tables
19.75 each. Coffee table 19.75.

Below:
Blended mahogany bedroom
grouping distinguished by its
light reddish and coral
and light tan beds, 49.00
each. Bedside lamps 19.50
each and vanity lamps 11.50.



& S. POGUE CO.
MAIN 4100
A typical rotogravure advertisement of The H. & S. Pogue Co.
is shown above

Kimberly-Clark Corporation

Established 1872 • Neenah, Wisconsin

NEW YORK
122 East 42nd Street

CHICAGO
8 South Michigan Avenue

LOS ANGELES
510 West Sixth Street



8. Better Cold Canvass Calls. Here the salesman's opening sentence, his approach, and the transition to the sales talk are taken up. If the salesman finds too many closed doors and suspects that neighbors have seen him visiting each home, it is suggested that he go to every fourth home, even if it requires retracing his steps. This practice makes the housewife somewhat inquisitive and keeps the man out of the closed door class.
9. Twenty-Two Ways to Approach a Prospect
10. After the First Interview—What Then?
11. Why Plan Sales Interviews?
12. Twenty-Two Points Regarding Interviews
13. Meeting Objections Successfully
14. Answering Questions Regarding Prices and Terms
15. Closing the Sale
16. Securing Customer Satisfaction and Cooperation
17. Personal Traits That Affect Selling Ability
18. Methods of Increasing Personal Efficiency
19. Speech Training Is Worth While
20. Making Words Ring the Bell
21. Tell Me What You Read, and I Will Tell You What You Are

How the Course Was Launched

The sales development program was first introduced to the sales managers and sales supervisors of gas companies during a three-day sales seminar held in mid-November at Boston University. Under the broad heading of "Management and Supervision of Sales Representatives," this seminar was held to discuss sales supervisory problems, to facilitate the exchange of experience and ideas, and to introduce the sales training course for use in salesmen's classes of their own.

The Association then conducted four regional sales meetings in Boston, Providence, New Haven, and Springfield for gas appliance salesmen and women. The one-day sessions, all conducted on identically the same pattern, but geographically so located as to keep attendance expenses at a minimum, were attended in great numbers.

These regional meetings provided an excellent opportunity for manufacturers of the four major gas appliances (cooking, refrigeration, heating and water heating) to present their stories directly to the men and women who are daily meeting their consumer prospects. Instead of having these talks tied up with certain manufacturers, the messages were prepared and given by the Manufacturers' Division of the Association, not by individual manufacturers, without reference to any particular names.

These presentations were in the form of demonstrations and are considered to have been extremely valuable.

able to manufacturers, since it is a rare opportunity for any group of manufacturers to reach within such a short time so nearly 100% of the salesmen in the New England area.

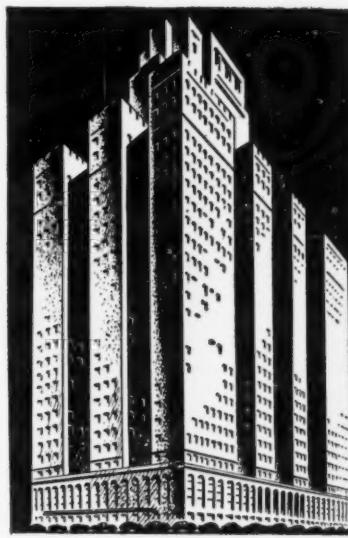
Speakers from Boston University discussed such subjects as sales strategy, buying motives, building a permanent growing clientele, choosing the right words and phrases, and other educational and inspirational subjects.

When the sales training course was first distributed early last year the sales manager of each gas company appointed sales supervisors, each in charge of from four to ten salesmen, for direct supervision of study. With these small groups better supervision was accomplished, and fuller and more informal discussions were possible. From one to three chapters were assigned at each session, and these were taken up at the following class. Supervisors have stressed discussions as a means of determining the extent to which each salesman has studied the text.

To help gas companies and their supervisors to conduct this course effectively, the Association, through Boston University, also developed an Instructor's Guide for Sales Development Program, a 50-page, 8½-by-11-inch, planographed book, containing methods of instruction, assignments and reports to stimulate outside reading and methods of stimulating discussions. This guide, which sells for \$2 a copy, devotes eight pages to a discussion of methods of presenting the course to classes, and then proceeds, chapter by chapter, with specific problems and suggestions.

Contest Prolongs Interest

To maintain interest in the course at a time when most gas companies have completed the study, Association leaders have devised a follow-up presented without charge. A certificate of award will be presented to each company sales representative who successfully passes three tests—a written examination, oral interview by a company representative, and preparation of a 600-1,200-word essay giving a sales presentation on any one of the four major gas appliances. These requirements necessitate a thorough review of the training course, and enable sales managers to check on the progress of each individual. To stimulate interest in the essay, the Association is offering four cash prizes of \$20, \$10, \$5 and \$2.50 for the best essays in each of the four divisions—cooking, water heating, refrigeration and heating.



"THE WORLD'S GREATEST HOTEL"

fronts the blue waters of Lake Michigan, on beautiful Michigan Boulevard. It is ideally accessible to Chicago's business district; and to that profusion of wonders—industrial, cultural, educational, and entertainment—for which Chicago is so justly famous. The service is planned with care and discrimination.

OTTO K. EITEL,
Managing Director

THE
Stevens
HOTEL
C H I C A G O

DESIGNING TO SELL



Winners Three: *Modern Packaging* magazine awarded top honors in three groups to the Wrico lettering set container, Mentholatum window display poster and Martex "re-use" towel box (pictured above and to the right) in its 1938 All-America Package Competition which recently closed. The lettering set is encased in a mahogany colored Bakelite case, molded to provide separate compartments for pens, pencils and lettering guides. Designed by Earl Mandle, the case was molded for Wood-Regan Instrument Co., Nutley, N. J., by Auburn Button Works. . . . Designed and lithographed by Kettner-Linus Lithograph Co., Philadelphia, the Mentholatum poster "caught the attention of the judges" by the simplicity with which it "packs terrific human interest appeal." . . . Union Specialty Co., Plainfield, N. J., designed and manufactured the prize-winning Martex towel box (which becomes a hat box when the contents are emptied), using a rigid acetate material supplied by Celluloid Corp., N. Y.



Streamliner: Calvin Mfg. Co., Chicago, manufacturers of Motorola car and home radios, recently brought out its "Streamliner" display board to aid dealers in showing the 1939 line of auto radios and aerials. Made of plywood, finished in grey and mandarin red, the display forms "a complete auto radio department in itself," being equipped with receivers, aerials and batteries to enable the salesman to hook up any set for demonstration.



Music with a Handle: General Electric's radio division, Bridgeport, has designed the Carryabout "for those who would forego travel rather than miss their favorite radio programs." The case, "designed as a smart piece of modern luggage," holds a 4-tube receiver with self-contained power supply.



Rainsuiter: In rainy weather the well dressed man will wear slacks and jacket made of waterproof material, instead of the clumsy raincoat, says Leon A. Axel, Ltd., New York, manufacturers of the "Rainsuiter." Martin Ullman designed the package which can be converted into window or counter display, and is so constructed that either piece of the garment may be sold separately. It was awarded the Irwin D. Wolf Trophy as "Package of the Year" by American Management Ass'n.

Less Soap: Barnes & Reinecke, Chicago, designed this new dispenser for G. H. Packwood Mfg. Co., St. Louis, manufacturers of Pax soap. "You need less Pax granulated hand soap to wash dirt, grease and grime from your hands," say the makers, and the adjustable feed control on the dispenser provides just enough. Molded of heavy plastic, the dispenser is water- and steam-proof, making it ideal for shower installations, and is easy to fill.



Brand-new note in displays

... Read how "Lucite," the new plastic display material made by Du Pont, helps set the stage at the auto shows... With a few additional notes on how to draw crowds.

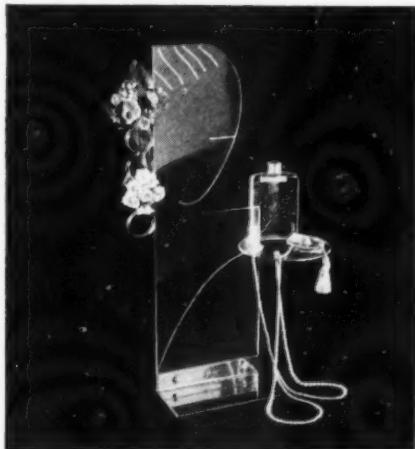
THREE'S a remarkable new crystal-clear plastic on the market... a material so versatile and beautiful that it's already been put to hundreds of decorative and practical uses. This new plastic is Du Pont's methyl methacrylate resin trademarked "Lucite."

One of the places where "Lucite" shows up to best advantage is in the exhibit and display field. For "Lucite" has warmth and sparkle. It makes decorative designs practical which in the past have been impossible to build economically. It allows edge-lighting and other unusual "cold lighting" effects... for "Lucite" carries light even around corners! "Lucite" looks dainty and fragile... but actually it's practically unbreakable. So it's easy to understand why this unique new Du Pont plastic was chosen for the dramatic Chevrolet exhibit and the eye-catching American Fixture and Showcase Mfg. Co. display fixture you see on this page.

Let "Lucite" display pieces help call attention to your merchandise. Let "Lucite" help dramatize your exhibits. "Lucite" is available in sheets, rods, and tubes, or molding powder. For further information about this remarkable material, write E. I. du Pont de Nemours & Co., Inc., Plastics Department, Arlington, New Jersey.



• Crowds always flock to the illuminated "Lucite" railing of this Chevrolet chassis display wherever it is shown, and you'll see plenty of people peering around to see where the unusual, "cold light" comes from. Here's the secret: The bulbs are in the posts. There they meet the end of a bar of "Lucite" which "pipes" the light through the railing.



• Here is a sample of the attractive, eye-catching store display fixtures which can be made of "Lucite." "Lucite" displays set the stage for your merchandise; they don't grab the spotlight for themselves. That's why so many leading stores are using "Lucite" to lend appeal to counter and window displays. As you can see, the possibilities of "Lucite" are bounded only by your imagination.



• You see lots of "Lucite" at auto shows all over the country. Here, for example, the unique eye-catching "Lucite" grill at the left sets off the Pontiac engine. This grill is made of a number of "Lucite" sheets which are edge-lighted to create the unusual effect of light coming from nowhere. Doesn't this suggest an infinite number of novel lighting effects to dramatize your products, too?

Unusual Properties of "Lucite"

CRYSTAL CLEAR
LIGHT IN WEIGHT
PRACTICALLY UNBREAKABLE
TRANSMITS LIGHT
CAN BE CUT, SAWED, MACHINED
OR TOOLED
CAN BE SHAPED UNDER HEAT



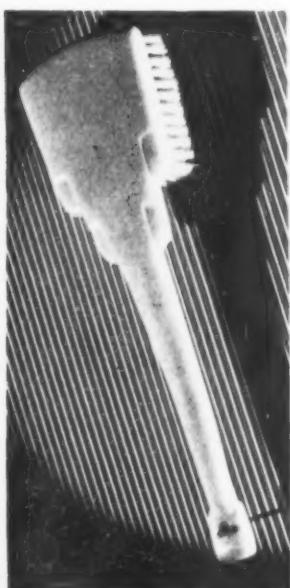
LUCITE

REG. U. S. PAT. OFF.
E. I. DU PONT DE NEMOURS & CO., INC.
Plastics Department . . . Arlington, N. J.

DESIGNING TO SELL



Flasher: Ray-O-Vac Co., Madison, Wis., introduces a Bakelite molded change tray which simultaneously flashes "thank you" to the customer and reminds him he may need a new flashlight battery. The display, molded by Richardson Co., holds six batteries, has a testing unit in the rear.



Scrubber: The newest member of the Prophy-lac-tic brush family is the plastic bath brush pictured here. "Delightfully suited to the luxuriouslyness of the toilette," it comes in four colors: Ivory, peach, blue and green. The long handle makes for easy grip in the shower and the resiliant white bristles for thorough cleansing. This brush retails for \$3.



Redesign: To weld its line of paints and wall finishes together, I. F. Laucks, Inc., Seattle, redesigned its packages to incorporate a family motif. Colors used are blue-green and dark blue. Old package is at the right, new at the left.

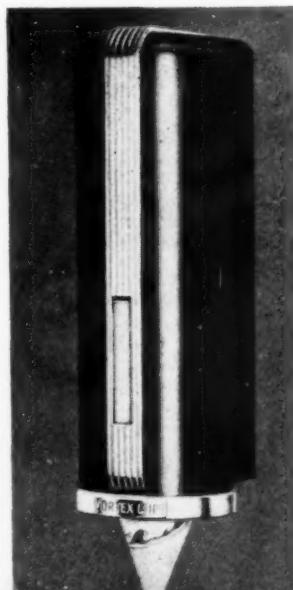


New Items: Kensington, Inc., calls the baby dishes (above), which are among the newest additions to its line of lustre-finished aluminum ware, the Norwich porringer and Norwich baby cup. Both strikingly plain in design, the bowl is an authentic reproduction of the traditional silver porringer of early American and English silversmiths. Also new are the Coldchester old fashion glasses (left).



Pantry Package: There'll be no throwing away of a half a loaf of stale bread with this package, says Papendick Bakery Co., makers of Holsum bread. This package was entered in the American Management Association's Ninth Annual Packaging Exposition, now being held at the Hotel Astor, New York, and won first prize for the most effective use of merchandising ingenuity regardless of artistic qualities. Albert Miller Co., Bates Fabrics, Inc., and Joseph Burnett Co. were awarded honorable mentions in the same classification.

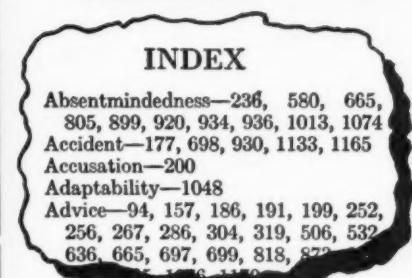
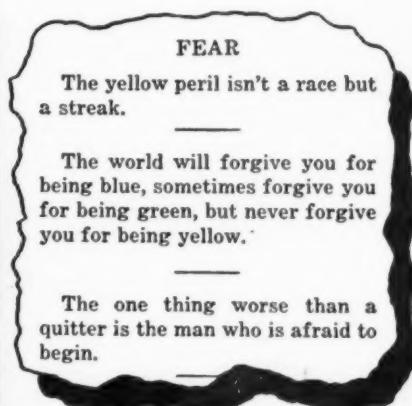
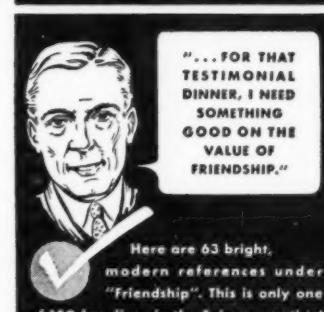
Dispenser: Holding a generous supply of cone-shaped paper cups, the new Dixie-Vortex paper cup dispenser has been designed for easy installation near drinking facilities. It's made of black metal and the glass window in front indicates fullness of container.



Family: J. E. Spurgeon designed these packages for Belmont hardware which were awarded first prize as the most effective family of packages in AMA's Packaging Exposition. The packages were entered in the competition by Butler Bros.

FOR ANYONE WHO IS EVER ASKED TO "say a few words..."

NOT only public speakers, but business executives, educators and professional people will find this work helpful and stimulating. It is needed by all who have ideas to express. Here, for the first time, are gathered the brightest thoughts of our own day, plus the enduring classics of all time. It is a source book reflecting modern life and present-day problems. No matter how many reference books you have on your shelves, you'll find this one of the most inspiring volumes in your library. It's a big book—nearly 700 pages—with a wealth of treasures, indexed and classified for easy reference.

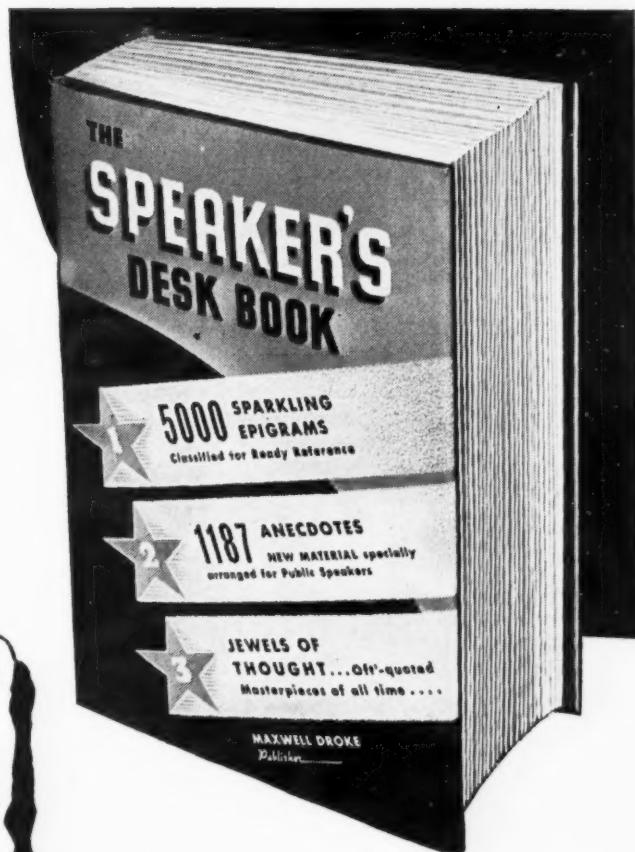


FREE!

if you prefer to send remittance with your order,



Overcome self-consciousness; develop your conversational powers. This book, by the Head of the Department of Business English, University of Illinois, is yours free if remittance accompanies your order for Speaker's Desk Book. Money-back guarantee.



5,000 Sparklers

Bright, pointed epigrams such as every speaker likes to weave into his talks. Gathered from scores of modern sources and bright minds of an earlier era. The majority are found in no other reference book. Arranged under 150 headings, such as Advice, Faith, Duty, etc. (See example at left.)

1187 Anecdotes

Modern stories and old favorites, carefully edited for speaker and writer. Each carries a point that can be generally applied. Each story is numbered and an index of more than 500 topics (see example at left) enables you to find quickly a story for any situation.

Jewels of Thought

The classics of all time—masterpieces from which you may wish to borrow a sentence or a paragraph. Rare treasure for reading, and for reference.

At Our Risk

We believe this is the book you have always wanted and needed. But don't accept our opinion. Send for *The Speaker's Desk Book* today. Go through it page by page. See for yourself how helpful and practical it is; learn the many ways you can use it. Then, if you aren't completely satisfied, we want you to return the book for full credit or prompt refund.

MAXWELL DROKE, Publisher

1014 N. PENN. ST. • INDIANAPOLIS, IND.



MAXWELL DROKE, Publisher,
Dept. SM Indianapolis, Ind.

Send me, postpaid, a copy of *Speaker's Desk Book*. Within 10 days I will send \$3.85 in full payment, or return the book for credit.

NAME

ADDRESS

CITY

STATE

Check here if attaching remittance, entitling you to free copy of book, *How to Become an Interesting Talker*. Money-back guarantee, of course.



Wage Earners' Magazine

Abraham Lincoln once said that the Lord must have loved the common people, for he made so many of them.

When *True Story* magazine was started, just 20 years ago, magazine publishers—even the publishers of so-called "mass" magazines—did not love the common people. They did not even love the steadily-employed wage-earners. They dissociated themselves from them. They told advertisers that their readers were better off than the other fellows'. And to prove it, they wrote over the heads of many of them.

True Story not only was written to its readers' level. It was and is written almost entirely by its readers. They tell their own stories. Those stories which are thought to have the widest interest are printed, with the aid of photographs dramatizing the situations, but without editors' embellishments.

After 20 years, the *True Story* people have plenty of reason to believe not only that "truth is stranger than fiction," but that it is commercially more potent.

Perhaps the best judge of reader-interest in a publication is the mailman. When people send letters hundreds or thousands of miles to editors they have never met, they must have an "urge." They must have considerable faith that their needs and desires will be gratified.

A Quarter-Million Letters a Year

True Story gets 250,000 reader letters a year. In addition, it receives from readers each year 100,000 to 150,000 stories. From this mail, each month, *True Story* is born anew. Every letter is read. Every letter a bit out of the ordinary is read by higher-ups. William Jourdan Rapp, editor of the magazine since 1923, under Fulton Oursler, editor-in-chief of all the Macfadden magazines, samples the mail himself every day.

The mailman, in fact, begot *True Story*. Bernarr Macfadden has been a publisher since the turn of the century. Today, there are a dozen Macfadden magazines. But for the first half of his publishing career Mr. Macfadden had only one. That was *Physical Culture*.

By 1919 *Physical Culture's* circulation had risen to 350,000. Dealing vigorously and vividly with very personal problems, it had gained a large reader mail. People were asking not only about their busts and biceps but their relations as sweethearts, husbands and wives and parents.

True Story was started on the personal-relations part of *Physical Culture's* mail.

It was Mr. Macfadden's idea. He sought a name for it. He submitted a lot of names to O. J. Elder, then, as now, his right-hand man on the business side. Finally he hit on *True Story*.

True Story always has been sold predominantly on the newsstands. It has always made money on circulation. It sold for 25 cents a copy right from the start. The initial issue—May, 1919—was 100,000 copies. Within three issues the circulation had climbed to 200,000. Growth was

"moderate" until 1923. In that year it added more than 1,000,000, for a total of more than 1,500,000.

It was in 1923 that the Macfadden people first began to consider *True Story* as a general advertising medium. The magazine had been primarily a "mailorder" medium. A lot of smaller advertisers were using it, with profit, for mind- and body- and personality-building courses and devices.

The first step in a program to sell the magazine to big advertisers, it was decided, was to find out something about its readers. They found that the readers were (1) people who usually had not read magazines before, and that they were (2) people who worked with their hands.

Middle- and higher-income people sought relief from their problems in books and music, sports and travel. If they wanted help on their personal problems they went to their doctor or lawyer or clergymen.

Wage-earners, usually not so well educated, and with fewer professional contacts, turned more and more to *True Story*.

Even if the magazine did nothing more, it gave them a chance to talk to somebody. And in its stories, although it did not pretend to provide complete, all-round solutions, it did show what individual people had done to meet problems which, presumably, many other readers also faced.

The stories themselves were interesting—serious and human, simply-told. And every now and then they covered situations which paralleled those of individual readers. So people came back to the newsstands to buy, again and again, for drama and entertainment and often for help.

Not the Magazine, But the Market

The *True Story* people long ago decided not merely to accept but to capitalize on the fact that their readers were wage-earners. They adopted the slogan, "Sell the Wage-Earner Market," and developed reams of statistics to prove the market's value to advertisers.

With mounting circulation, and increased data on their market, they set out, in 1925, to increase rates and to take preferred positions from the mail order advertisers. They organized an intensive and consistent attack on the big general advertisers—emphasizing not the magazine but the market.

Lever Bros. signed in 1926. (Since then *True Story* has carried more pages from Lever Bros. than has any other magazine.) J. Walter Thompson Co. was among the first advertising agencies to sense the value of this new medium to reach this new market.

These companies realized the truth of *True Story's* story: "If you're going to stay in business on a carload basis you've got to sell the masses."

Slowly the big advertisers were won over. Glancing over the issue of November, 1924, we note 32 solid pages of mail order advertising before reading matter—personality developers, mechanical and home-sewing schools. . . .

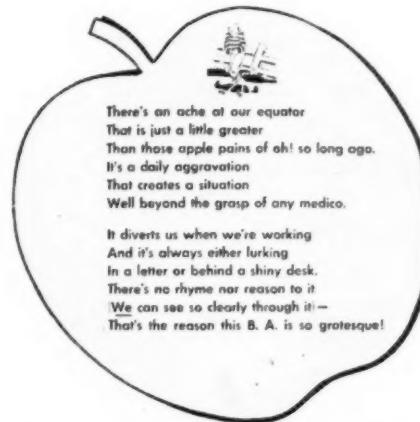
In November, 1927, in the same position,

there was still some mailorder copy, but there were also Zonite and Kissproof and Woodbury's. Further back there were Camel and Fleischmann and Life Savers. . . .

By November, 1930, there were no mail order ads at all. Instead, in the front of the book, there were Maybelline, Modess, Ipana, Cream of Wheat, Listerine, Crosley radio. Further back were many other general advertisers—not only of drug store products, but of foods, household products, automobiles, and cigarettes.

True Story today, with more than 2,000,000 circulation, has won recognition among all classes of general advertisers using the "women's service magazines." For seven years, it has carried more advertising of drug store products than any other magazine. Of 385 food products advertised in all five women's service magazines last year only ten did not use *True Story*. Four of these manufacturers used this magazine for other of their products, and one has scheduled *True Story* for 1939. Of 400 advertised drug products in all the women's service field, only one currently does not include *True Story*. Similar recognition obtains in kitchen supplies (3 out of 151) and toilet goods (5 out of 608).

All of which indicates that wage-earners individually are getting better wages today, and that collectively they are very rich—and responsive.



There's an ache at our equator
That is just a little greater
Than those apple pains of oh! so long ago.
It's a daily aggravation
That creates a situation
Well beyond the grasp of any medico.

It diverts us when we're working
And it's always either lurking
In a letter or behind a shiny desk.
There's no rhyme nor reason to it
We can see so clearly through it!
That's the reason this B. A. is so grotesque!

Quite appropriate in this season of aches and pains is *Country Gentleman's* promotion piece entitled, "A Big Bellyache and Its Six Simple Symptoms," from which the above excerpt-in-rhyme is taken. In light verse that befits a c.g., are revealed six prospects' objections that cause a rumbling in the tummy . . . but for each of these dyspeptic quiverings, *Country Gentleman* has an energizing remedy to convince the prospect that the rural market is an important one, into whose every nook and cranny it probes.

Iron Age Has an Idea for the World's Fair

John H. Van Deventer, editor of *The Iron Age*, has attracted wide attention with a signed article in his February 9 issue warning the New York World's Fair and its industrial exhibitors that they are about to lay themselves wide open to a fresh attack by "parlor pinks" against the machine and technological unemployment. He says exhibits of new and improved machinery show all too plainly that modernization reduces required manpower, while making more goods available to people at less cost. He urges that the Fair and its exhibitors show the other side of the picture too: That new machine processes create new jobs elsewhere, thus increasing employment on

the whole. He urges that this be done by posters, displays, motion pictures. Reprints of his article are getting broad distribution.

Time Features New "Index of Business Conditions"

A new "Index of Business Conditions," formulated and developed over a period of 20 years and unlike any hitherto published, has been incorporated as a regular feature in the business section of *Time*.

Prepared each week by the magazine's editors in collaboration with Townsend-Skinner & Co., the *Time* Index has a different objective from the indices most businessmen know. It reports on the financial soundness, rather than the volume, of U. S. business, competing with none of the standard indices but seeking rather "to appraise the factors underlying the business activity they record."

Harper's Bazaar Broadcasts from Paris Style Show

Harper's Bazaar recently put over a pace-setting promotion stunt when it carried an on-the-spot fashion broadcast from the Paris style centers directly to the desks of some of the leading fashion, advertising and business executives here, by means of battery-operated radios.

Carmel Snow, editor, broadcast her impressions of the latest style notes while attending the annual fashion parade in Paris.

Wrapped around each instrument, which was already tuned-in and operating when delivered by messenger, was a band reading, "Listen to Carmel Snow on this RCA Victor and read *Harper's Bazaar* March 1st, March 15th, and April 1st."

New Magazines

The first issue of *Host*—the Magazine of Home Entertainment—is scheduled to appear on March 22. To be published quarterly by Host Magazine, Inc., N. Y., it will be sold at 50 cents per copy and by subscription at \$1.50 a year.

Editorially the magazine will be about evenly divided among divertissements (games, puzzles, quizzes and simple magic, etc.), articles, and departments (entertainment value of foods, liquors, music, decoration, etc.).

Host's publisher is Bert Garmise, formerly circulation director of *Scribner's Magazine* and secretary of Harlan Logan Associates; editor is Frank Caspers; advertising manager, Richard Cook.

* * *

On February 1 *Automotive Service*, the Picture Paper for Service Men, made its bow in the automotive field. Published monthly by Slocum Publishing Co., Detroit, publishers of *Automotive News*, the paper has a 44,000 controlled circulation among automobile dealers, jobbers, service men, and others in the after-market of the automotive industry, keeping them posted on all that's new in the servicing field. It is sold at 10 cents a copy, \$1 a year.

Of its 23 pages, eight and a half were advertising.

Carolina Advertising Men Organize Association

The Carolinas Advertising Executives Association was formed at a recent meeting of 24 advertising executives from daily newspapers in North and South Carolina.

The officers elected are: M. F. Murdaugh, of the Durham *Herald-Sun*, president; N. E. Brown, of the Columbia



HOTEL
A
IN CHICAGO

A BEAUTIFUL SUITE

\$6.00 FOR TWO PERSONS

TWIN BEDS, BATH, PARLOR, RADIO

A SINGLE

\$2.50 WITH BATH AND RADIO

*Special Weekly and
Monthly Rates*

701 NORTH
MICHIGAN AVE.
CHICAGO, ILL.

CLOSE TO EVERYTHING

On upper Michigan Avenue in the heart of Chicago's Near North Side—a few minutes walk from beautiful Lake Michigan, Loop offices, business and amusement centers. Harding's "Just Wonderful Food" featured in dining room and cafeteria. Friendly service. No parking worries.

JOHN P. HARDING
Hotel
MANAGEMENT
KEN. WILLIAMS, Mar. Dir.

I know a man who has what it takes! He is ready to start working for you now as Sales Builder.

Good men are hard to find when you want them. Here's a man who should add strength to almost any organization.

Creative yet practical, a good organizer, executive and driver, he has what it takes to make a good sales executive.

As a salesman I believe he is a rare find, for he has a quality most salesmen lack . . . a promotion mind. He is a capable field promotion man.

Once he makes some contacts, I am sure he will be snapped up quickly. Why not give him an interview so you can see for yourself that he has what it takes?

Ask me about him . . . A. W. Jones, Sales Promotion Manager, Standard Gas Equipment Corp., 18 East 41st Street, New York, or write to him direct . . . Lewis M. Fageley, 24 Warwick Street, East Orange, N. J.

TORONTO
MONTREAL
WINNIPEG
LONDON, Eng.

GIBBONS KNOWS CANADA
J. J. GIBBONS LIMITED • ADVERTISING AGENTS

REGINA
CALGARY
EDMONTON
VANCOUVER

Saturday's unsung



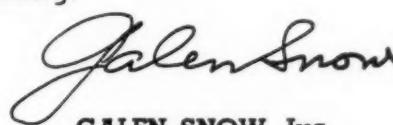
Nameless Linemen . . . Headlined Halfbacks

It is the misfortune of business papers that they seldom carry the ball. A salesman usually brings in the signed order. But well-planned and shrewdly placed business paper advertising is the strong forward wall behind which a new product is quickly and successfully launched. Or, again, the good business paper is the alert lineman who forces the salesman's opening to the buyer's office.

For over 50 years salesmen for the Greenfield Tap & Die Corporation have "carried the ball" with the aid of a sturdy, hard hitting "line" of business paper advertising. To quote E. C. Bailey, their Sales Promotion Manager: "Our business has grown steadily (Greenfield is the world's largest manufacturer of screw threading tools) because we have al-

ways put our best into all our products and advertised them constantly in business papers to all our customers and prospects."

New products are born, new markets open, better layout and copy technique is developing every day. But successful advertisers and successful agencies know that the vital importance of better business papers in the efficient distribution of merchandise continues unchanged. It is our pleasure to be associated with this successful user of business paper advertising.



GALEN SNOW, INC.
Advertising
SPRINGFIELD, MASS.

heroes . . .



1939



1934

1925

This typical advertisement in a 1939 campaign is the latest in an endless series running back to 1891.

NO. 39

Discussions of **TYPICAL JOBS GOOD BUSINESS PAPER ADVERTISING HAS DONE**
... prepared by advertising agencies of wide experience in the use of business paper space
... sponsored by these outstanding business papers:

AMERICAN BUILDER AND BUILDING AGE,
Chicago
BAKERS' WEEKLY, New York
BOOT AND SHOE RECORDER, New York
BUILDING SUPPLY NEWS, Chicago
CHEMICAL & METALLURGICAL ENGINEERING, New York
DEPARTMENT STORE ECONOMIST, New York
ELECTRICAL WORLD, New York
ENGINEERING & MINING JOURNAL,
New York
FOOD INDUSTRIES, New York
HOTEL WORLD-REVIEW, New York
THE IRON AGE, New York
THE JEWELERS' CIRCULAR-KEYSTONE,
New York
LAUNDRY AGE, New York
MACHINERY, New York
MACHINE DESIGN, Cleveland
POWER, New York
RAILWAY ENGINEERING AND MAINTENANCE, Chicago
SALES MANAGEMENT, New York
STEEL, Cleveland

GOOD
BUSINESS
PAPERS
BUILD
BETTER
BUSINESS



Some of the officers and members of the Carolinas Advertising Executives Association, organized recently, are shown above. Seated, left to right, are: N. E. Brown, Columbia, S. C., *Record*, first vice-president; M. F. Murdaugh, Durham, N. C., *Herald-Sun*, president; and Roy Philips, Asheville, N. C., *Citizen-Times*, secretary-treasurer. Second row, left to right, R. W. Wood, Hickory, N. C.; C. E. Godfrey, Spartanburg, S. C.; R. M. Fonville, Burlington; Rex Freeman, Winston-Salem, N. C., *Journal and Sentinel*; W. P. Etchison, Columbia, S. C., *State*; and Guy Vaughan, Jr., Spartanburg, S. C. Third row, in the same order, Robert Bradham, Charleston, S. C.; Fred Heller, Greenville, S. C.; P. T. Hines, Greensboro, N. C.; and C. W. Patterson, High Point, N. C.

Record, first vice-president; Josephus Daniels, Jr., of the Raleigh *News and Observer*, second vice-president; and Roy Philips, of the Asheville *Citizen-Times*, secretary-treasurer.

With the officers, the following make up the board of directors: R. E. Bradham, Charleston, S. C., *Post and News and Courier*; C. W. Patterson, of the High Point *Enterprise*; Fred Heller, Greenville *News and Piedmont*; Rex Freeman, Winston-Salem *Journal and Sentinel*; and W. P. Etchison, of the Columbia *State*.

Scripps-Howard Answers Mr. Arnold on Advertising

H. W. Hailey, director of business promotion and research for Scripps-Howard Newspapers, as guest speaker at a meeting of the New York Newspaper Promotion Group on February 8, declared that answers to questions put to 53,124 housewives in 16 cities by the Scripps-Howard research organization, tend to disprove Assistant Attorney General Thurman Arnold's contention that a large part of present-day advertising is an economic waste and a breeder of monopolies.

Mr. Hailey, in presenting the charted results of a nation-wide study of family buying habits, said wherever local or regional pro-

ducers have made a product comparable to national products in quality and price and backed it up with advertising and intelligent merchandising methods, they have secured for themselves an enviable place in regional markets.

"It is evident that regional competition of this nature," Mr. Hailey continued, "will eventually force national manufacturers to do a more careful job of market analysis and selective selling."

Saying that 1939 is a challenge to newspapers and to newspaper promotion men, Mr. Hailey declared that if advertisers are to be successful, they must have at their command a much larger fund of information than mere population figures for any given market. Newspapers, he said, can help advertisers find ways of making advertising sell more profitably by "supplying data, research, and sound thinking that will be helpful to the advertiser in making up his own mind in the light of what he knows about his intimate plans and problems, plus what we have supplied him."

Release Analysis of Circulations of Canadian Publications

The Association of Canadian Advertisers has released its 1938 edition of the Analysis of Circulations of Canadian Publications which, compiled by the ACA's Circulation and Rates Committee, contains figures on circulations, media costs, markets of Canada; media have been related to markets.

The 40-page "Blue Book," besides giving detailed information on Canadian daily, week-end and weekly newspapers, magazines, farm papers, and trade and technical publications, include supplementary data on radio and posters.

To quote from the table of contents, the general summary presents (a) circulation by provinces, (b) comparison of breakdown total of circulation and latest audited total average net paid circulation, (c) national line rates and dates of change, (d) milline rates by provinces and by circulation groups.

Twenty-eight of the 40 pages present a detailed analysis of circulations compiled according to all cities and towns of over 500 population, shown by counties and census divisions, arranged by arbitrary retail trading areas and by provinces.

This method of arrangement represents the ACA's initial attempt to present information concisely and contiguously by grouping together adjacent marketing areas having common centers of distribution. This is in contrast with the former arrangement of counties and census divisions in alphabetical or numerical order, without regard to geographical location.

Newspaper Linage Near January, 1938, Level

Analysis of the latest report of Media Records, Inc., reveals a slight drop in January, 1939, newspaper linage from the level of the corresponding month last year. Automotive linage, however, rose 18.8% above the January, 1938, level, and department stores was several thousand lines better. Other classifications compare as follows:

	Jan. % Loss
General	13.6
Total display	3.6
Classified	3.4
Retail	1.7
Financial	0.6

Total advertising dropped 3.5% below the January, 1938, figure.

Media Men

Cary William Bok has succeeded John C. Martin as president and publisher of the Philadelphia *Evening Ledger*.

Four members of the National Newspaper Promotion Association are serving on this year's committee of arrangements for the convention to be held April 25 to April 30, in New York. In addition to Ivan Veit, promotion manager of the New York *Times*, who is chairman, the committee members are Lee Tracy, New York *World-Telegram*; James R. McKeldin, Richmond *News-Leader*; Ramon Cram, Columbus *Dispatch*.

William H. Cartwright has been appointed manager of the Detroit office of Edward Petty & Co.



George J. Podeyn, v.p. in charge of sales and promotion for Empire Broadcasting Corp.

George J. Podeyn has resigned from World Broadcasting System to become vice-president in charge of sales and promotion for Empire Broadcasting Corp. . . . Ford Billings, formerly vice-president of Hearst Radio on the Pacific Coast, has become sales manager of WOWO and WGL, Fort Wayne, Ind., stations. . . . Bertram Lebhar, Jr., has been named vice-president in charge of sales of Station WHN, N. Y. Herbert L. Petty continues as director.

Dr. Robert L. Swain has been promoted from the position of pharmacy editor to that of editor of *Drug Topics*, and *Drug Trade News*, N. Y. Simultaneously, Daniel Rennick, who for the past 11 years has been managing editor of the two publications, has been promoted to the post of editorial director. Other executive promotions in the Topics Publishing Co. include:

Johnson Rogers, from sales manager to executive vice-president; Graham L. Hemminger, from promotion manager to promotion director; and George G. Carnegie to assistant treasurer. Aglar Cook, the publisher, is president and treasurer.

Media Notes

Station WBRK, Pittsfield, Mass., became the 110th affiliate of the Mutual Broadcasting System on February 19. . . . Stations KVOA, Tucson, and KSCJ, Sioux City, are the 168th and 169th affiliates of the National Broadcasting System. . . . Station KGKO, Fort Worth-Dallas, has appointed Free & Peters exclusive national representatives.

The Washington, D. C., sales offices of Jam Handy Picture Service, Inc., have been reopened with Patrick Murphy in charge, according to Jamison Handy, president.

Life reports a gain of 65% in advertising revenue for February, 1939, over February, 1938. January's advertising revenue showed an increase of 38% over the corresponding month last year. . . . The fourth *Esquire* apparel fashion forum and retail seminar is announced for April 20. The all-day program will feature fashions for the coming Summer, Fall and Winter, highlighting resort, university, town and country clothes.

A Statistical Committee for 1939 of the New York Newspaper Promotion Group has been appointed by Lee Tracy, president of the group. This committee will work with other New York groups to get special tabulations on the 1940 United States Census of Population with the object of building up market data.

Committee members are Sherman P. Storer, research manager of the New York *News*, chairman; Kenneth Mason, promotion manager, the New York *Sun*; Ivan Veit, promotion manager, the New York *Times*.

CBS Contemplates Purchase of World Broadcasting System

Contracts have been signed under which the Columbia Broadcasting System may acquire the World Broadcasting System, William S. Paley, CBS president, recently revealed. Percy L. Deutsch, president of WBS, will continue in the same capacity, and no changes in the World organization are being considered.

Newspapers Publish Special Sections

"The 'Gold Rush of '39' is on—to San Francisco—and we will be looking for you!" That's the invitation we received from San Francisco's *Call-Bulletin* to visit the Golden Gate International Exposition. As added incentive, a 24-page special Fair edition, was mailed us, describing each of the attractions to be found on Treasure Island in San Francisco Bay. And not to be overlooked is the prospector's pan sent also—in the form of an ashtray—containing a glistening gold nugget, just to make the "Gold Rush" theme more realistic.

Not to be outdone by other newspapers with their Fair editions, the New Orleans *Times-Picayune* published a Mardi Gras section on February 17, celebrating the 113th annual Carnival held there. Those who are able to visit New Orleans during Carnival-time are indeed fortunate, but for stay-at-homes the Mardi Gras section provides pleasure enough with its descriptions of pageants, balls, incidental parties, parades, etc., that charm all visitors.

What Factors Sway the Placing of an Advertising Account?

(Continued from page 20)

to spend months in educating the agency in the peculiarities of his business. Thus not only will the advertiser save time, effort, and money, but—more important—he will get his new campaign under way sooner.

In fact, sometimes such an agency knows more about that line of business than the client, simply because it has been operating in it on a broader scale

and is familiar with more phases of it. The agency is able to introduce methods into the client's business that galvanize it into a pace of activity that it did not know before. The broad experience of a good agency is one of the most valuable services it has to offer.

Another reason for selecting an agency with a reputation in a field, is that it makes it possible for the client to merchandise the agency to his trade. If the agency is known to be expert in the promotion of certain goods, the advertiser can use that fact in selling his campaign to his distributors and in enlisting their cooperation.

Number 10. Long Term Cultiva-

WMC
ANNOUNCES
WORLD WIDE INS.
NEWS SERVICE

Now Available for Sponsorship!

18 HOUR SERVICE

7:45 to 8:00 AM
12:15 to 12:30 PM
6:30 to 6:45 PM
10:30 to 10:45 PM

MONDAY thru SATURDAY

Everyone has a nose for news these days. In the Mid-South, listeners depend on world-famous I.N.S. news service, broadcast by Radio Station WMC in four strategically selected quarter-hours daily.

This complete and comprehensive news service is available for sponsorship, in whole or in part, at package prices that will surprise you.

Why not ask us about it?

For further details, consult your nearest Branham Office, or write to

5,000 WATTS—DAY
1,000 WATTS—NIGHT
NBC RED NET WORK

WMC Memphis

Owned and operated by
THE COMMERCIAL APPEAL
"The South's Greatest Newspaper"

THE MID-SOUTH'S Dominant RADIO STATION

COMPLETE COVERAGE

Coverage not alone of stores, but of the people in the stores who buy or who control buying of merchandise and equipment! Advertise in

DEPARTMENT STORE *Economist*

239 West 39th St., New York City
A CHILTON PUBLICATION

the one accepted national medium covering **all** the people you must reach in the department store field to sell successfully the second largest retail market in America.

30,000 CCA
TWICE EACH MONTH

HUSTLE WITHOUT BUSTLE

We're hustlers when the occasion demands but we don't make any noise about it. Our service is as cheerful and quiet as it is speedy.



IN THE
HEART OF
CHICAGO

BISMARCK
HOTEL-CHICAGO
RANDOLPH AND LA SALLE

tion: Many advertisers say that they gave their accounts to their present agencies as a result of cultivation over a period of years on the part of the agency. Several agencies told me that it took them two or three years to get most of their worthwhile accounts. Many agencies make call reports after each solicitation. Thus it is easy to compute the time and effort put in on each prospect.

Generally the accounts that were the hardest to get are the easiest to keep. Usually it takes time to sell an account on a sound basis.

Number 11. Independent Organizations Select Agencies: There is a growing trend among advertisers toward having an independent research organization select their advertising agencies for them. The assignment is carried out like any other research job.

First a study is made of the advertiser's problems, and of what character of service he should get from an agency. Next a list of agencies qualified to give such service is made. Then interviews are obtained with the clients of these agencies to see how well satisfied they are. Gradually the agency list is reduced to three or four names. A selection is then made from these.

Research Is Best Basis

Number 12. An Agency Selection Grows Out of a Research Job: This is probably the fastest growing method of selecting an agency. Where this procedure is followed the research is undertaken primarily to study the advertiser's marketing problems and not with the idea of picking an agency. Such studies, however, often result in recommendations that an agency be engaged to help carry out the program developed as a result of the study. There is no sounder basis for an advertising campaign than this and no better way of choosing an agency.

The research job may be done by an independent investigating firm or it may be done by an agency. A fee is charged for the work, of course. That agencies are doing work of this sort is an indication of the ethical advance the agency system has made. Today no reputable agency wants to accept accounts unless there is a reasonable chance of the advertising being successful. Hence a study is made to see what improvements a prospect can make in his selling methods. If it is found that advertising would benefit the prospect, it is recommended. Advertising, however, is only one of the many suggestions that may be made to the client.

Number 13. Laboratory Stores: Several agencies operate laboratory stores. These stores are used principally to

find the most effective methods of merchandising clients' goods. Incidentally, many data are accumulated in the stores that are sometimes used to solicit accounts in other lines.

Number 14. Agencies Sell on Their General Reputation: There is growing disposition among advertisers to select an agency that has an established reputation. Prospective advertisers are likely to favor an agency that has a convincing sales story for itself. After all, how can an agency sell its clients' products if it cannot sell itself? Advertisers want agencies to show what they can do in putting over their own stories. More and more are advertisers giving their accounts to agencies that are doing at least a fair job in advertising themselves.

Number 15. Giving the Account to the Agency That Is Best Qualified to Handle It: This method is not to be confused with Number 9, where the account is given to a specialist. In method 15, the account is awarded on merit, not on politics or nepotism or the social standing of the head of the agency. Fortunately, it is the method most in use at present, and toward which there is the greatest drift.

Most agencies today get a large proportion of their business because of their qualifications.

Seven Unsound Methods

Of these 15 most generally used methods of selecting an advertising agency, seven are essentially unsound:

1. Giving the accounts to agencies with whom relatives are associated.
2. Giving the accounts to agencies with whom college or club cronies are associated.
3. Placing accounts with agencies, hoping to gain reciprocal benefits.
4. Placing accounts with agencies that used flattery to get them.
5. The use of speculative plans in gaining accounts.
6. The use of spectacular presentations in gaining accounts.
7. Working with an agency that splits the commission.

There are cases where the employment of these methods may be justified. Also it is not hard to find instances that turned out profitably to advertisers where agencies were chosen under one or another of these seven questionable systems. As a rule, however, agency associations that are formed in these ways do not last long.

(In the second article, which will appear in SM for March 15, Mr. Murphy will discuss methods of agency selection which experience has proved to be sound as opposed to methods which are likely to result in a relationship which is neither enduring nor profitable.—THE EDITORS.)

What's the Best Bait: Filet Mignon or Worms?

"Now to me," said a Professional Advertising Man, "there's no dish quite as tasty as a filet mignon broiled over a charcoal fire, and served with a garnish of water cress. I like to go fishing," he added. "It's relaxation and good exercise. Now obviously I'm smarter than the fishes. I like filet mignon, and most of my friends like it; therefore, ipso facto, the fish should like it. So I'll go to the nearest river, bait my hook with a choice cut — and just watch the big boys strike!"

Scene: the River of Business. A fish — a beauty — is muttering to himself.

"Well what the hell," said the Fish, sniffing, "is THAT? God knows I'm hungry, but not THAT hungry. Oh Boy — but wouldn't a nice fat three-inch worm taste good right now? Somewhere around this stream I'll find a guy who will give me one. I'll just swim around until I find it."

* * *

THREE'S a moral around here somewhere — and it seems to be this: every one knows that to get a big advertising contract it's necessary to sell Mr. Big — who may be the General Sales Manager, or a Vice-President, or the President. Knowing that, the publishers of all sales and advertising magazines try to get the Mr. Bigs on their subscription lists, but one, Sales Management, succeeds in landing far more than any of the others.

Now the reason can't be price, for Sales Management's subscription price is from a third to a full hundred per cent higher than the others.

The reason must be in the editorial plan.

These men like the balanced editorial diet on SM's menu — fare that is carefully ra-

tioned to supply calories for their varied tasks: Personnel management, advertising appropriations, product design, sales policies, trade relations and the other problems with which they deal. It's food that sticks to the ribs.

More and more, the SELLERS of advertising are realizing that it isn't what they like but what their prospects like which makes a good advertisement or a good advertising medium. And that's why every year, for five consecutive years, Sales Management's gains in its percentage of the total promotion dollar have been sensational.

An Aside to S. M. Subscribers: You are most responsible for these advertising gains, first through the mere act of subscribing, next through your keen interest as manifested by letters of inquiry, comments and suggestions, and the purchase last year of over 500,000 reprints of articles. We thank you.

(Advertisement)



DISTINCTIVE

 Discriminating travelers enjoy the perfect service, beautiful appointments, refined atmosphere and convenient location of this world-famous hotel.

A. S. Kirkeby, Managing Director

The Blackstone

MICHIGAN AVENUE • CHICAGO



To Alert . . . SALESMANAGERS

When routing through Central New York, remember Hotel Syracuse is long on value, comfort and service. Centrally located. Four attractive restaurants . . . restful accommodations.

Rates from \$3.00 single

**HOTEL
SYRACUSE**

Fay B. Marenness, Mgr., SYRACUSE, N. Y.



PHOTOSTATS

COMMERCE PHOTO-PRINT CORPORATION

1 WALL STREET

233 Broadway 56 Pine St.
80 Maiden Lane 33 W. 42nd St.
Dibby 4-9135-6-7-8

Tips



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Commerce Bureau Annual Survey for 1938 Out Soon

Advance notice, this, of the *Annual Review Number* of the *Survey of Current Business* issued by the Bureau of Foreign and Domestic Commerce of the U. S. Department of Commerce. Analyzing the economic trends in 1938, summaries are given for the general economic situation; national income; commodity prices; manufacturing; electric power and light; mineral and agricultural production; construction; railroads; motor, electric and air transportation; shipping and ship building; communication; retail and wholesale trade; instalment sales; foreign trade; labor conditions and finance. Charts, tables, and graphs support the various sections. Appendices contain a summary table showing selected business indicators for specified years with percentage changes; a chronology of important events in 1938 and a legislative summary. Copies, costing 15 cents each, are obtainable from the several district offices of the Bureau, or from the Superintendent of Documents, Washington, D. C., and promptness in ordering is urged, as a reprint of the edition is not planned.

Trade Opportunities of N. Y. Fair Analyzed by *Esquire*

"Over two billion new dollars will be spent during this coming Spring and Summer by World's Fair visitors," opines *Esquire*. "This will represent the largest trade hypodermic ever given. The Fair, then, is more than a pile of steel and stone—it is a business 'shot in the arm' with permanent ramifications." Saying which, The Magazine for Men goes on in a 32-page booklet to cast up the many ways in which an estimated 60,000,000 visitors will spend these dollars, and to show why the success which is anticipated for the Fair itself can be shared by the keen merchandisers whose products or services are ably presented. The study is linked with the May World's Fair issue of *Esquire*, its supplementary merchandising services. Statistics quoted have been given the o. o. by a member of the Fair research department. Revenue increases estimated for different items include: Restaurants and night clubs, \$65,969,000; food, \$47,570,000; drug products, \$20,000,000; motion pictures, \$37,500,000; beverages, \$76,000,000; clothing, not estimated, but based on department store business during the Chicago Fair in 1933, should break all records. For copies, "Special Report, World's Fair," requests to Elkin Kaufman, Esquire-Coronet, Inc., 366 Madison Ave., New York, N. Y.

Symposium on Press Freedom

Digressing a moment from the usual market material presented in this column, we note a recent booklet which the St. Louis *Post-Dispatch* has published, reprinting a series of letters on the subject of *Freedom of the Press*. An original letter from President Roosevelt to Joseph Pulitzer, published in December, expressed an interest in a national symposium on the editing of newspapers, in the interests of the general public, "from the counting room." The *Post-Dispatch* invited a group of representative Americans to submit their views, and the resulting series of 120 letters, from publishers, industrialists, bankers, members of Congress, educators and others, constitute a symposium which should be of considerable interest to a number of our readers. Copies are available, without charge, on request to Brent Williams, The *Post-Dispatch*, St. Louis, Mo.

WJAR-Providence Market

A detailed coverage and buying power survey of the Providence and surrounding market reached by Station WJAR has recently been published. Conducted by Jansky & Bailey, and using standardized methods of measurement, the survey maps the day and night areas and gives population, radio homes, and buying power data for both primary and secondary areas. The primary daytime audience, for ten counties in Rhode Island and Massachusetts, is given as 861,900, reaching 207,400 families having radio sets of a total of 229,230 families in the area. Nighttime area includes nine counties, reaches a potential total of 777,900 listeners. Statistics of wholesale and retail trade show number of outlets and volume of business for day and night areas, by standard classifications of business, together with data on manufacturers, agriculture, and miscellaneous buying power. Copies available on request to John J. Boyle, Station WJAR, Weybosset St., Providence, R. I.

Fifty Years of Service

Advertisers in the Pacific Northwest market, possibly users of the market service provided by the *Spokesman-Review* and *Chronicle*, may find a backward look over the experiences of local Spokane firms and advertisers interesting. "Getting People to Buy in Spokane and the Inland Empire" is a most unusual commentary on the good will and advertising effectiveness created by this newspaper, as expressed in many pages of testimonial letters. Some of the advertising records quoted go back 50 years. Every type of local industry served by newspaper advertising is represented. Requests to Tom J. Turner, *Spokesman-Review* and *Chronicle*, Spokane, Wash.

Postage Computer Available

The bane of the existence of all mailing clerks (and plenty of over-time executives who are forced to guess at rates on late letters or packages after office hours) has been nicely solved by the new Postage Computer now being distributed gratis by Boston Envelope Company. Operating on the slide rule principle, and equally compact, it quickly answers questions like: How much to ship a two-pound package by Parcel Post to El Paso, Texas? How does the rate for First Class Mail compare with Second Class or Third Class? It also gives Air Mail and Foreign Postage Rates. Requests to S. A. Gilvar, Boston Envelope Company, High & Maverick Streets, Dedham, Mass.

SALES MANAGEMENT

PERSONAL SERVICE AND SUPPLIES

Cash Basis Only. Remittance Must Accompany Order.

Classified Rates: 50c a line of seven words, minimum \$3.00. No display.

EXECUTIVES WANTED

SALARIED POSITIONS. \$2,500 to \$25,000. This thoroughly organized advertising service of 29 years' recognized standing and reputation, carries on preliminary negotiations for positions of the caliber indicated above, through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance the moderate cost of his own campaign. Retaining fee protected by refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If your salary has been \$2,500 or more, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N.Y.

TO THE MAN OF EXPERIENCE. \$2,400 yearly and up, seeking a new connection, but who wishes to protect, beyond question, his identity and present position, this service, established 1927, offers a plan especially geared to present day conditions. Of equal pertinence is our alternate plan for the man, now unemployed, who wants to locate the quickest market for his services. Send name and address only for particulars. J. T. Jennings, P. O. Box 161, Taylor Place, Short Beach, Connecticut.

EXECUTIVES EARNING \$2400 to \$25,000. Vocational relations counsel of demonstrated ability conducts confidential introductory employment negotiations keyed to the qualifications presented. Leaders of industry, and those of your choosing, contacted in your locality, or elsewhere, through personalized advertising campaign at moderate expense. If you have the initiative to press on towards a higher paying position, this organization may be the medium of achieving your ambition. Write for full information to VOCATIONAL INTERMEDIATES 1428-30 National Bank Building, Detroit, Michigan.

LINES WANTED

THE FOLLOWING SALESMEN AND/OR sales organizations have filed with SALES MANAGEMENT bids for new or additional products to be sold in the territory designated. Manufacturers interested in establishing contact with any of these sales representatives should mention the key-number at the beginning of the advertisement. This department is conducted solely as a service and SALES MANAGEMENT cannot guarantee the integrity of any of the individuals or firms represented in this list. To the best of our knowledge they are reliable. Address: READERS SERVICE DEPT., 420 Lexington Ave., New York City, N.Y.

Ag-1. Territory: Western N. Y., hdqrs., Syracuse. Wants several non-competitive first-grade products selling to industry which have repeat sales.

Ag-2. Territory: Md., D. C., hdqrs., Baltimore. Wants grocery specialty products.

Ag-3. Territory: National, hdqrs., Chicago. Wants grocery products.

Ag-4. Territory: Tenn., hdqrs., Nashville. Wants mechanical or electrical specialties selling through dealers.

Ag-5. Territory: South Tex., hdqrs., Houston. Wants several good staple or specialty lines.

Ag-6. Territory: Southern O., Ind., Ky., Western W. Va., hdqrs., Cincinnati. Wants products selling to electrical and hardware stores, central stations, jobber trade.

Ag-7. Territory: New England, hdqrs., Boston. Wants any product that has New England potential.

Ag-9. Territory: West Virginia, Southeastern Ohio, Eastern Kentucky.

Ag-10. Territory: Central New York or New England.

Ag-11. Territory: N. Y., N. J., New England, hdqrs., New York. Wants automotive products, jobber and chain store trade.

Ag-12. Territory: New Orleans to Denver and El Paso. Wants short, staple, non-seasonable line.

LINES WANTED (Continued)

Ag-13. Territory: Wisc., hdqrs., Milwaukee. Wants several low-priced, non-competitive, resale specialty products selling to retailers, jobbers.

Ag-14. Territory: New York Metropolitan area, hdqrs., city. Wants engineering and marine products.

Ag-15. Territory: 11 Western States or three Pacific Coast states, hdqrs., San Francisco. Wants any products sold through department store, chain, jobber, furniture outlets.

Ag-16. Territory: Southern O., Ind., Ky., hdqrs., Cincinnati. Wants production materials for sale to any and all electrical and mechanical manufacturers.

Ag-17. Territory: Pacific N. W. states, hdqrs., Seattle. Wants to represent any Eastern manufacturer, advertising nationally, preferably building materials.

Ag-18. Territory: Metropolitan N. Y., hdqrs., N. Y. Wants infants' and children's shoes and slippers.

Ag-19. Territory: Tex., hdqrs., Houston. Wants building materials or specialties, food products, shoes.

Ag-20. Territory: Eastern N. Y., Conn., N. J., Eastern Pa., hdqrs., New York City. Wants lines selling to industrials and supply houses.

Ag-21. Territory: Northern Ohio, hdqrs., Cleveland. Wants one additional account, steam or electrical equipment, for industrial or jobbing trade.

Ag-22. Territory: Metropolitan N. Y., Essex, Hudson, Bergen, and Union counties of N. J., hdqrs., Livingston, N. J. Wants building materials.

Ag-23. Territory: Preferably S. E. states, other territories considered, hdqrs., Atlanta. Wants any meritorious item in machinery, surgical, dental, building materials lines.

Ag-24. Territory: Great Lakes region, hdqrs., Chicago. Wants products sold to furniture manufacturers, those sold to luggage manufacturers considered.

Ag-25. Territory: Pacific N. W., hdqrs., Multnomah, Ore. Wants builders' hardware, mechanics' tools, industrial supplies.

Ag-26. Territory: Eastern Pa., southern N. J., Dela., others considered. Hdqrs., Philadelphia. Wants quality products of established manufacturers.

Ag-27. Territory: Eastern Mo., southern Ill., hdqrs., St. Louis. Wants photographic equipment & accessories.

MAILING LISTS

SPECIAL MAILING LISTS. CHEMISTS, Accountants, Credit Managers, Sales Managers, Traffic Managers, Export Managers, Purchasing Agents, Officials of Corporations, High Salaried Executives. Write RESULTS ADVERTISING CO., MAILING LIST COMPILERS, 709 Pine Street, St. Louis, Mo.

PHOTO AD-CARDS

WHAT'S NEW?—OUR ADVERTISING CARDS are outstanding and distinctive: They go straight to the man who buys and they sell him your product: Don't overlook this economical and effective means of getting orders: Used by large and small concerns: Attractive NEW samples free: Write today. GRAPHIC ARTS PHOTO SERVICE, Hamilton, Ohio.

POSITIONS WANTED

TOP FLIGHT SALESMAN, MANAGER, NOW investigating opportunities greater service—present position major manufacturer; new accounts increased hundred percent—profitable acquaintance here, abroad—Wide knowledge Industry, many lines; only 40, married—Educated Carnegie, Columbia, marketing, engineering. Write or wire Box 629, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

SALES MANAGER OR DISTRICT MANAGER. Twenty years of successful experience as salesman, branch, district, and divisional manager for three large corporations. I have a thorough knowledge of sales, advertising, merchandising, and dealer development in both wholesale and retail. Prefer small company where earnings will come thru fair sal-

POSITIONS WANTED (Continued)

ary plus bonus based on productiveness. Married, vigorous, Christian, age 41. Box 628, Sales Management, 420 Lexington Avenue, New York, N. Y.

SALES REPRESENTATIVE AVAILABLE. Experienced in creative selling and sales direction, having excellent sales record and education. Can adjust himself quickly to new sales methods, conditions and policies. Twelve years in sales work with large Penna. manufacturer. Prefers territory in Eastern Penna.; South Jersey and Delaware, where present contacts would be of most value. Other territories will be considered. Contacts include manufacturers, utilities, banks, dealers and retail merchants. He seeks quality products, backed by established manufacturers. References. Box 630, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

REPRESENTATION WANTED

THE FOLLOWING MANUFACTURERS HAVE filed with SALES MANAGEMENT bids for sales representation in the territory or territories described, for lines designated. Sales agents interested in establishing contact with any of these manufacturers should mention the key-number at the beginning of the advertisements. This department is conducted solely as a service and SALES MANAGEMENT cannot guarantee the integrity of any of the individuals or firms represented in this list. To the best of our knowledge they are reliable. Address: READERS SERVICE DEPT., 420 Lexington Ave., New York City, N. Y.

Mf-1: Product: Water and metal treatment for steam boilers. Territory open: N. Y. and N. J.

Mf-2: Product: Drug item. Territory open: National.

Mf-3: Product: Insecticide. Territory open: New England, parts of East, most of Middle West.

Mf-4: Product: Display materials. Territory open: National.

Mf-5: Product: Specialty selling through infants' departments of department stores. Territory open: Ky., Ga., central and eastern Tenn., Ala., southern and central Ind., Ark., Miss., La.

Mf-6: Product: Patented fire and burglar alarm device. Territory open: National.

Mf-7: Product: Thermometers in drug field: testing instruments for industrial lines. Territory open: National.

Mf-8: Product: Fuel. Territory open: New England.

Mf-9: Product: Copyrighted art crucifixes and crosses for mortuary and drug trade. Territory: East of the Mississippi River.

Mf-10: Product: Gas water heaters. Territory open: N. J., New England, Central N. Y. (outside Manhattan), and Pacific N. W. states.

Mf-11: Product: Playground equipment; fences, chain link for industrial and residential use, rustic wood, wrought iron picket. Territory open: Ga., S. C., Ky., metropolitan Cincinnati, Va., western Md., Conn., Mass., R. I., Ala., La., southern Ind., southern Ill., & Albany, N. Y.

Mf-12: Product: Advertising products, novelties. Territory open: Atlanta, Memphis, Indianapolis, Kansas City and Dist. of Columbia.

Mf-13: Product: Patented air circulating & cooling units. Territory open: Northern Cal., Ore., Wash., Rocky Mt. states including Denver, Col.

Mf-14: Product: Service baskets & Strollers for self-service or wholesale groceries; utility baskets and housewares for department, hardware, sporting goods and drug stores. Territory open: Cal., Fla., Minn., western Pa.

Mf-15: Product: Ladies' hosiery selling to retailers. Territory open: southern, southwestern & mid-western states.

Mf-16: Product: Heating specialties, high-low-pressure. Territory open: St. Louis, Memphis, New Orleans, Tampa, San Francisco, Kans., Mont., Ore., Wash., Omaha, Tex.

Mf-17: Product: White shoe cleaner. Territory open: National.

COMMENT

BY RAY BILL



BUSINESS LEADERS IN THE MAKING: Under a grant from the Alfred P. Sloan Foundation, the Massachusetts Institute of Technology will grant fellowships to ten young industrial executives who, next June, will begin specialized social and economic training with the objective of fitting themselves for business leadership. The Sloan Foundation, apparently aware of industry's need of men who are not only organizers, but who are equipped to deal with the broader social and economic problems which are so important in business today, this year more than doubled the fund granted for such fellowships last year.

In his announcement of the fellowship grant, Harold S. Sloan, director of the Foundation, pointed out that a young executive whose experience has been confined, for example, mainly to technical problems, is likely to find himself totally unprepared to meet the human problems involved in business. Consequently the men selected for the fellowship awards will undertake a program of study which involves not only the broad fundamentals of economics, production, marketing, finance, accounting, law and labor, but which places special emphasis on the responsibilities of the executive to society and on external influences bearing on industrial administration, such as labor legislation, international economics, governmental relationships to industry, comparative political institutions and sociological developments.

This type of activity is, in our opinion, a vital service to American business. We earnestly recommend that other foundations seeking constructive projects for the employment of their funds consider the extension of the Sloan plan through accredited educational institutions like M. I. T. The making of an executive through the old-time process of office boy-to-salesman-to-branch manager-to-sales manager, and so on up the ladder, is the old School of Experience method, and it's still good. But the newer conception—that of picking likely executive talent while it is young, and training it with the specific aim of fitting the men involved for positions of top executive responsibility through specialized broad training—is the method of the future.

Business has taken important new aspects of late, especially those relating to its responsibility to society at large and the part it plays in creating and maintaining

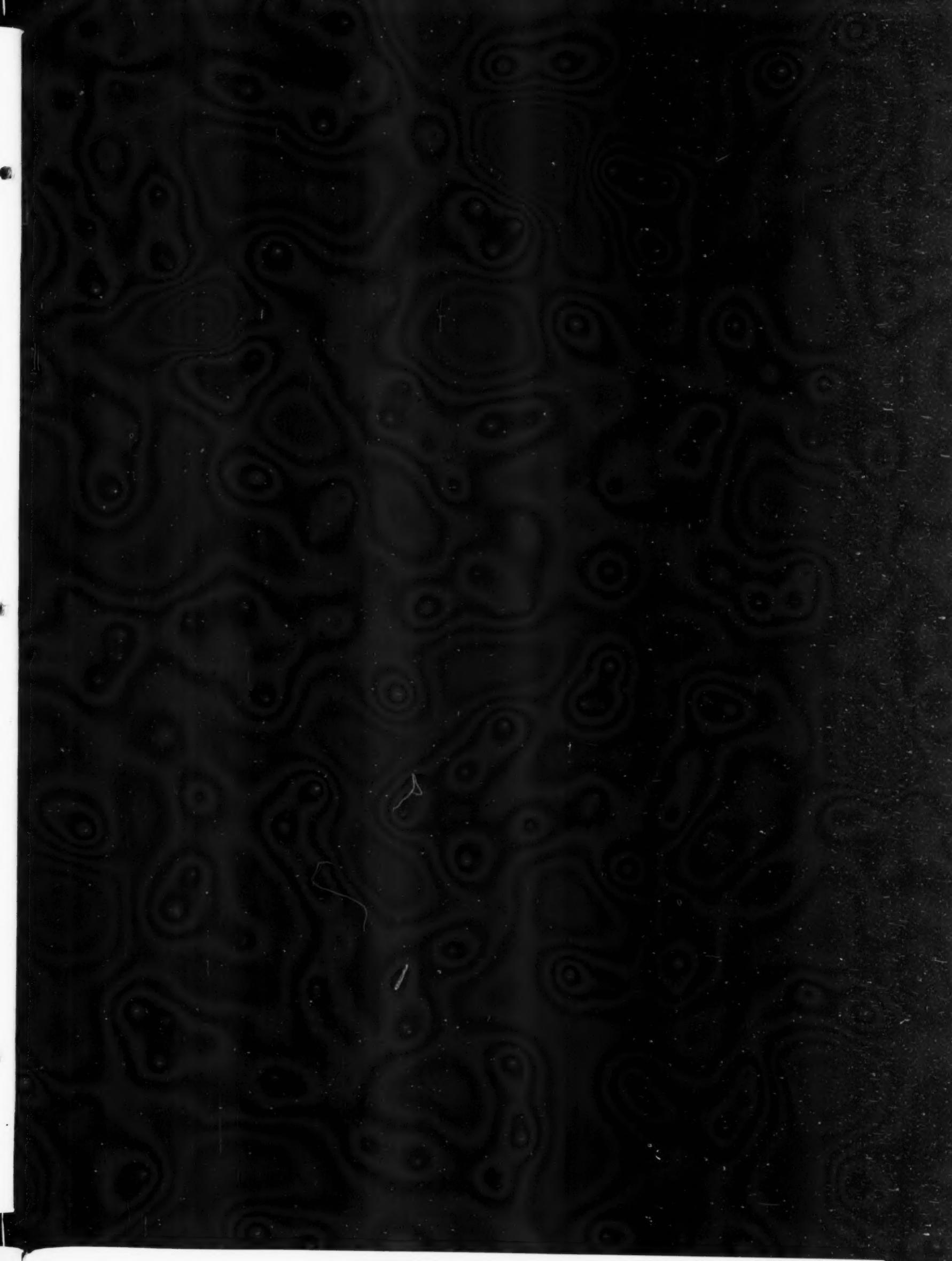
social security. The handling of business problems which arise under these heads requires a very specific type of educational background—a kind of training which it is difficult for mature men, already in positions of executive responsibility, to acquire.

Such effort as that represented by the Sloan Foundation and M. I. T., which aims to seek out and train suitable candidates for tomorrow's presidencies and general managements, is far-sighted and sound. Extended to the point where it reaches larger numbers and is definitely programmed, it could—and should—become a project which would represent to American business what West Point represents to the American army. Without manpower which is equipped to utilize resources for something besides selfish ends, our American system cannot endure.

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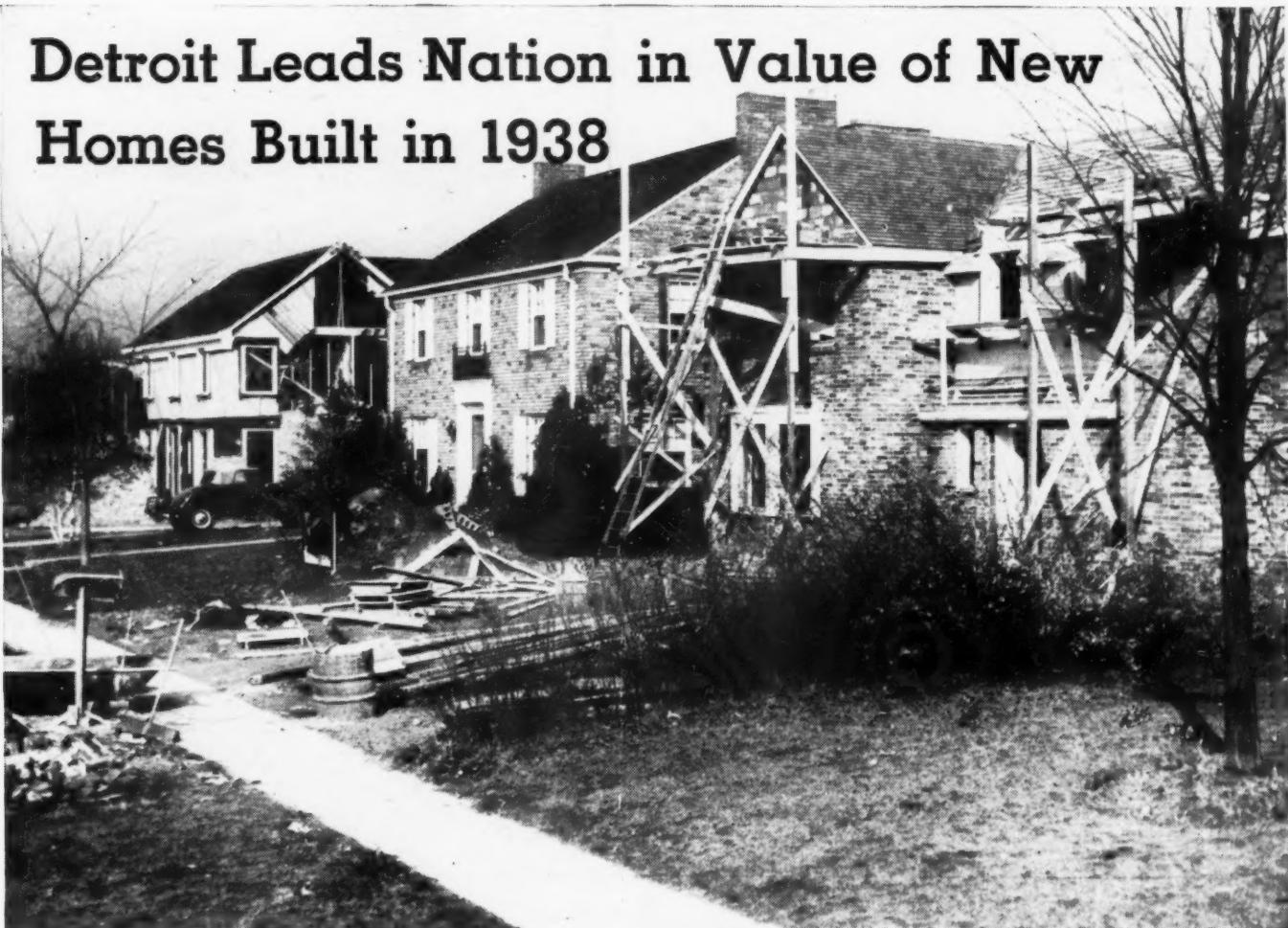
PITY THE CONSUMER: Apparently the hearings on tax incentives have resulted in at least temporary oblivion for tax incentive plans and legislation. To be sure, the whole subject may come up again in various tangible forms when Congress gets down to its consideration of what taxes must, in its judgment, be imposed. Meanwhile, the vice-president of one of America's largest industrial corporations made a point to the editors of *SALES MANAGEMENT* which seems worthy of repeating here. He called our attention to the tendency on the part of both witnesses and cross-examiners at the tax incentive hearings to emphasize what should and should not be done with respect to distributing any gains in profits either in dividends to security holders, or in supplementary payments to labor. No one seemed to have especially in mind the fact that consumers might also be entitled to some plus distribution in the form of lower prices.

This latter angle has, of course, come out under other headings but in considering tax incentives *per se*, it does seem highly fallacious to ignore the consumer's interest. If this matter comes up for legislative consideration, we urge that no small amount of testimony and evidence be obtained from the sales executives of the nation. It seems probable that they, better than any others, know how far "profit distribution" in the form of lower prices has gone to increase the volume of consumption and thereby automatically to benefit both labor and the owners of securities.



Another First for America's Fourth City

Detroit Leads Nation in Value of New Homes Built in 1938



WHILE watching the weekly automobile production figures climb to new 1939 highs, as they widen the margin of *gain over a year ago by as much as 50% some weeks*, don't overlook another important factor that is contributing substantially to improvement in the Detroit Market. That factor is HOME BUILDING. Here are the figures recently released in a survey by the National Association of Building Trades Employers:

- In 1938, Detroiters built 6,582 new homes with a total value of \$34,342,178. *This was the largest sum spent on new home construction in any city of the country last year!* Increases are forecast for 1939.

Remember this when considering "key" markets for '39. Also, remember that The Detroit News, alone, reaches 63½% of *all Detroit homes taking any weekday newspaper regularly*; that 76% of its entire city circulation is HOME DELIVERED.

The Detroit News

New York: I. A. KLEIN, INC.

THE HOME NEWSPAPER

Chicago: J. E. LUTZ

NEWS and Comment about the World's
Greatest Newspaper and its market.

From the

To a Pioneer

WE feel that we owe the Tribune and Arch Ward (Tribune sports editor), originator of the All-Star idea, whatever help we can give them to make the Chicago game football's outstanding contest. The Tribune pioneered the game, developed it into one of the major events on America's athletic calendar and, by reason of its priority in the field, it is deserving of our preference in all matters pertaining to such contests.

Thus spoke Joseph F. Carr, president of the National Football League, following the signing of a five-year contract recently entered into with Chicago Tribune Charities, Inc., sponsors of the annual game held in Chicago between the College All-Stars and the league champions.



The cost of reaching a family with a campaign of 13 full pages in sepia rotogravure in the Chicago Sunday Tribune is less than the cost of a telephone slug.

"Lowest Inquiry Cost We Ever Had"

Since October, 1938, Bauer & Black's product Velure, has been consistently advertised in the Color Graphic Section of the Chicago Sunday Tribune.

As to the results of this campaign, George A. Percy, asst. advertising director, Bauer & Black, wrote on January 27:

"We have always made it a policy to check



George A. Percy



JOSEPH L. PARRISH, whose penetrating observations on men and events, presented in superbly drawn editorial cartoons, are among the factors which make the Tribune Chicago's most widely read newspaper.

inquiry costs very closely on our advertising. The Tribune has given us a lower inquiry cost on this campaign than any other medium we have used. As a matter of fact, as far as I have been able to check, it has given us the lowest inquiry cost we have ever had."

WHEN WORDS WERE NEW

Coppers, confidence operators and coffee carts have apparently nothing in common except that as words they begin with the third letter of the alphabet. That characteristic brings them together in the recently published fifth section of the dictionary of American English now being compiled by the University of Chicago. They share, however, another relationship—their first appearance in print, according to the new lexicon, was in the Chicago Tribune.

Copper, a policeman, made its bow in the Tribune of April 23, 1893; coffee cart, a coffee store on wheels, on December 23, 1880; and confidence operator, a swindler, on October 1, 1875.

Another Record High

OVER
900,000

During January the total daily circulation of the Chicago Tribune averaged over 900,000 net paid—a gain of more than 50,000 over January last year. January set an all-time high for any month on record, and was the sixth consecutive January to show a gain in total daily circula-

tion over the same month in the previous year.

OVER 725,000 Tribune daily city and suburban circulation during January averaged over 725,000 net paid—a new all-time high for the month.



"Eight times out of ten our customers ask for products promoted in the Chicago Tribune"

—FRANK L. STRICKLAND
Oak Park (Ill.) grocer

"Most of our customers call for the well known products which are advertised in the newspaper," says Frank L. Strickland, for 42 years a grocer in Chicago's western suburb of Oak Park. "And," he adds, "products advertised in the Tribune are the ones which our customers specify eight times out of ten."

In Oak Park there are 17,020 families who buy 14,598 Tribunes on weekdays, and 15,314 on Sunday. As in Oak Park, the selling influence of the Tribune penetrates deeply into every neighborhood and suburb of Chicago, reaching consumers in all levels of family life, regardless of income grouping, social status or racial origin.

FETISH and FACT



To break a mirror still sends a shiver of apprehension down the spines of some people.

The facts make it unnecessary to anticipate seven years of bad luck when space buying disregards so-called axioms of advertising.

Chicago retailers spend more in the Chicago Tribune for women-appeal advertising than in the next three newspapers combined.

When you want to sell more to women, schedule more of your advertising for the Tribune.